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NEWS SUMMARY

GENERAL

Vietnam invades border town

Vietnam has launched a major military operation against its Communist neighbour, Cambodia, with heavy bombing and artillery support. The town of Mimot, six miles inside Cambodia, was reported in Vietnamese hands.

The Vietnamese were said to have advanced in some places up to 30 miles into Cambodia, but the bulk of the fighting was three to six miles within the border, north of the Parrot's Beak salient, where the Vietnamese have controlled enclaves for some time.

Vietnam's attack risks further angering China. It may be merely a punitive action to relieve border villagers who have suffered severely from Cambodian guerrilla raids. But it could be the long-speculated drive to seize Phnom Penh and instal a friendly pro-Hanoi government.

Jesuits killed in Rhodesia

Two German Jesuits, the only white staff at St. Rupert's Mission hospital, Western Rhodesia, have been murdered only five days after the slaughter of 12 British missionaries and children near the border with Mozambique.

Mr. Clifford Dupont, Rhodesia's first head of state after it broke away from the UK in 1965, has died in Salisbury, aged 72.

Phones may be hit

The Post Office Engineering Union has called a national overtime ban from Friday night which may severely affect maintenance and repair work on telephone and telex systems, as well as installation of new machinery. **Back Page**

Caroline weds

Princess Caroline of Monaco, 21, married 38-year-old French financier Philippe Junot in a private civil ceremony at Monte Carlo's Royal Palace. All Monegasque adults were invited to a champagne reception immediately afterwards.

White's rights

The U.S. Supreme Court ruled that it was illegal for the University of California medical school to reserve places for blacks and other minorities at the expense of better-qualified whites. **Page 4**

Off the scent

Labour's National Executive Committee failed to decide yesterday on whether to pledge to outlaw some field sports in its forthcoming election manifesto. The issue has been remitted to the party's Home Policy Committee, which may be urged to remove fox-hunting from the list. **Page 9**

New inquest

Three High Court judges ordered a new inquest on ex-boxing coach Liddle Towers, who died in 1976 from injuries after being arrested by police. The "justifiable homicide" verdict returned at Newcastle was set aside.

Briefly . . .

Prince Michael of Kent and Baroness Marie Christine von Reibnitz arrived in Vienna, where they will be married in a civil ceremony tomorrow.

Mrs. Kitty Milinaire, daughter-in-law of the Duchess of Bedford and self-confessed gambler, was cleared at Knightsbridge Crown Court on two charges of stealing gems from Cartier's of Bond Street.

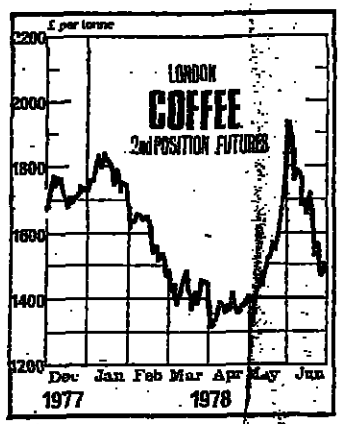
Polish and Soviet cosmonaut in a Soyuz spacecraft linked up with the Salyut station, joining its two-man crew.

Egypt: Twenty students were killed when a mortar shell left from the 1973 war with Israel exploded in Damietta, 100 miles from Cairo.

BUSINESS

Equities down as Gilts waver

- **EQUITIES** were inactive in this year's lowest level of trading. The FT 30-Share Index closed 1.0 down at 455.3.
- **GILTS** wavered in speculation on a further rise in MLR, falling 0.24 to 69.01.
- **STERLING** remained firm in quiet trading, closing 70 points up at $1.8545. The pound's trade-weighted index rose to 61.4 (61.3) and the dollar's depreciation widened to 7.0 (6.8) per cent. The dollar tumbled to a new post-war low of 203.90 against the yen, but rallied at the close to 204.80 (206.10).
- **GOLD** rose $½ to close at $185⅝. The New York Comex July settlement was 184.40 (184.90).
- **WALL STREET** closed 2.60 up at 819.91.
- **COFFEE** prices finished higher again, the September position closing at £1,506 a tonne, up £17 on the day.



Rover peace hopes grow

- **TRANSPORT** drivers at the Rover, Solihull, plant meeting today are likely to be urged by their union convenor to return to work, ending their strike over a sacked colleague which has cost £42m in lost production. **Back Page**
- **EEC** has agreed to press for important changes in rules governing world trade in the GATT trade talks. The changes involve Britain's main concerns, for example, disruptive imports. **Back and Editorial Comment, Page 20**
- **BRITISH CALEDONIAN** has proposed a joint Concorde service with British Airways between London and Dallas/Fort Worth in Texas. **Page 8**
- **ICI AUSTRALIA**, off-shoot of the U.K. chemicals group, plans to build a A$500m (£205.35m) petrochemical complex at Port Wilson near Geelong, south of Melbourne. **Page 28**
- **FORD MOTOR** chairman, Mr. Henry Ford told a Tokyo Press conference that the U.S. industry would produce more competitive cars to cut Japan's U.S. market share. **Page 6**

COMPANIES

- **FERRANTI**, the electronics and computer group, pre-tax profits rose 49 per cent to £9.12m this year. **Page 22**
- **TRUST HOUSES FORTE** pre-tax profits for the six months ended April 30 increased to £12.2m compared with £10.4m which included a £4.1m profit on fixed assets and investments sale. **Page 23 and Lex**
- **MK ELECTRIC HOLDINGS** pre-tax profits fell from £3.86m to £3.39m in the year's second half to leave the full-year figure to April 1 down from £6.17m at £5.95m. **Page 22**
- **NATIONAL STARCH** Chemical Corporation of the U.S. said it received a favourable internal Revenue Service ruling concerning its proposed acquisition by part of the Unilever group.

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES		
Bibby (J.)	230	+ 8
Blagden and Noakes	236	+ 8
Blundell-Permoglaze	71	+ 5½
Central & Sheerwood	62	+ 3½
Dawson Intnl. A	126	+ 6
Electrocomponents	443	+ 13
Fortnum and Mason	725	+ 45
Joseph (L.)	210	+ 13
Leslie and Godwin	116	+ 4
MFI Furniture	102	+ 4
News Intnl.	250	+ 5
Samuel (H.) A	28¼	+ 7
Silentnight	100	+ 5
Sime Darby	97	+ 6
Smith (D.)	106	+ 9
Sotheby PB	287	+ 6
Thomson Org.	253	+ 18
Trust Houses Forte	220	+ 10
Warwick Eng.	38	+ 6½
Guthrie	310	+ 20
Kuala Kepong	78	+ 5
Kulim	56¼	+ 4½
Anglo Amer. Corp.	322	+ 7
Cons. Murchison	260	+ 25
Kinross	370	+ 17
Pacific Copper	50	+ 4
Stilfontein	267	+ 10
Unisel	184	+ 11
Winkelhaak	723	+ 44
FALLS		
Excheq. 9¼pc '82 A	£91⅞	− ⅛
Treas. 14½pc '94	£114½	− ½
Bett Bros.	62	− 4
Chubb	123	− 14
Decca A	395	− 15
Hambros	178	− 9
Harris and Sheldon	50	− 3
MK Electric	175	− 5
EZ Industries	225	− 10
Sabina Inds.	64	− 4
Utah Mining Aust.	375	− 15

Liberals force 1% cut in National Insurance increase

BY PHILIP RAWSTORNE

The Government bowed to Liberal pressure last night and decided to cut its proposed increase in the employers' National Insurance surcharge to 1½ per cent.

The plan of Mr. Denis Healey, the Chancellor, for a 2½ per cent rise—announced only three weeks ago—was reluctantly abandoned after Mr. David Steel, the Liberal leader, had rejected a final appeal from the Prime Minister for Liberal support.

Provisions for the 1½ per cent compromise rate, to take effect in October, will be included in a new clause to be tabled for the Finance Bill's report stage in the Commons on Wednesday.

Liberal MPs will then vote with the Government to ensure a majority for its passage against the opposition of the Tories.

The Confederation of British Industry said last night that the lower surcharge would be "only a slightly lesser evil." It warned that the move could still cost some 60,000 jobs and worsen the balance of payments by £180m a year.

The increase will raise the employers' costs by some £60 to about £500 a year for each employee. "We believe a 10 per cent rate of value-added tax would have had a less damaging effect," the CBI added.

The 1½ per cent rate will raise about £300m this year—£140m short of the total needed to offset the revenue lost to the Government in the tax cuts forced by Opposition votes in the Finance Bill committee.

Mr. Healey is expected to announce next week whether he will seek to recoup this shortfall by other means.

Both the Prime Minister and the Chancellor have been opposed to any increase in VAT or reductions in public expenditure, and the signs last night were that they would probably accept the loss rather than risk further trouble in the Commons.

Last night's Government retreat came after Mr. Steel and Mr. John Pardoe, the Liberals' economics spokesman, had been called to a meeting at the Commons with Mr. Callaghan, Mr. Healey and Mr. Michael Foot, Leader of the House.

The Prime Minister's appeal for support for the 2½ per cent increase in the Commons vote next week was instantly rejected. But the Liberal leader said he was prepared to ask his 12 MPs to vote for a 1½ per cent increase—roughly what the Liberals had offered the Chancelor before the Budget in exchange for cuts in the higher tax rates.

Mr. Steel and Mr. Pardoe urged the Prime Minister to use the National Insurance surcharge as a weapon against excessive pay settlement in the private sector in thenext phase of pay policy.

Mr. Steel said later that they had proposed, in line with long-held Liberal policy, that the surcharge increase should not be levied on employers who undertook to observe any Phase Four pay guidelines.

Mr. Calaghan and Mr. Healey agreed politely to consider the proposal.

But it was later pointed out that the Government had considered such ideas previously and found them impractical.

Other Finance Bill concessions Page 7

Hambros talks on Norway shipping guarantees

BY CHRISTINE MOIR

THE NORWEGIAN shipping industry, which has some £230m loans secured by guarantees from the Norwegian Government, is anxiously awaiting the outcome of negotiations between Hambros Bank and the Government-backed Norwegian Guarantee Institute for Shipping.

At issue are Hambros loans—thought to be about £50m—to the loss-making supertanker operators, Reksten. Made in 1974, the loans were renegotiated in 1976 when the Norwegian Government guaranteed them. The guarantees expire at the end of 1979.

Hambros wants the guarantees renewed but it is meeting opposition from the Institute.

The Institute claims that since it provided the guarantees in 1976 the value of the tankers against which they are secured has fallen by a third. As a result, the Institute is reluctant to continue bearing the brunt of substantial potential losses.

Although neither side has issued a statement, there is widespread speculation in the Norwegian Press that the Institute is demanding that Hambros take at least some of these losses "on the chin."

It wants Hambros to accept reduced guarantees and make substantial write-offs on the Reksten debt.

In a television interview on Tuesday night, Mr. Hallvard Bakke, Norwegian Minister for Trade, said that he backed the Institute's hard line, a statement which has created consternation among other shipping companies and the shipbuilders.

They fear that this could create a crisis of confidence over all the loans which have so far been guaranteed by the Institute.

Mr. John Clay, Hambros' deputy chairman, yesterday refused to comment on the Minister's statement. He could not say what action the bank might take if the Government persisted in its attitude.

However, he did stress that the issue involved the possibility that Norwegian ships could end up in a break-up sale at the end of 1979.

Hambros has already had to face losses of £9m on its loans to Reksten which arose from the "Julian" loan in 1974 which was financed by a consortium.

Hambros had to take over the entire loan—thought to be about £60m—in 1975 and made a full statement saying that the loan was completely secure.

The security was provided by guarantees from the newly formed Guarantee Institute, but not without restrictions.

Hambros was required to take a 10 per cent stake in Trajan, a new Reksten subsidiary, in return for which it had to reduce its loans to a level which the Institute would guarantee.

This reduction showed up as a £4.3m exceptional loss in Hambros' 1976 accounts, reflecting a true £9m write-down pre-tax.

In Oslo yesterday, representatives of the ship owners asked for an immediate meeting with the Minister.

While they left the meeting saying that they had been reassured that the Government intended to continue its support for the industry, the underlying anxiety will not abate until the negotiations are over.

Of Norway's total foreign debt of £10bn, about a third is connected with shipping.

Lex Back Page

UK may accept Senate changes

BY DAVID FREUD

SIGNS ARE growing that the British Government will accept the U.S. Senate's removal from the Anglo-American double taxation treaty of the controversial clause curbing states' rights to tax on a unitary basis.

At the same time it emerged that Alaska, one of the three states proposing to apply unitary taxation to foreign companies, has abandoned the idea as far as oil production and transport is concerned.

Unitary taxation is applied on a formula based on a company's world-wide income and not only on profits generated inside the State.

The Alaskan legislature has decided that in the case of oil companies it is easier to tax on the basis of actual production, less expenses.

This means that British Petroleum, the only significant UK operator in the State will not, as it feared, have to prepare world-wide accounts on a U.S. basis.

BP is now starting to earn profits for the first time in Alaska and the new system of assessment could mean a local tax bill of at least $30m a year and probably much more.

The Alaskan move reinforces the likelihood that the UK will not try to make an issue of the loss of the relevant part of the treaty—clause 9.4.

The options open to the UK Government following the ratification of the treaty by the Senate on Tuesday without clause 9.4 are:

To pass a protocol through the Commons accepting the deletion; to seek a compensating concession from the U.S. Treasury; or to renegotiate from scratch.

Both the last two would entail long delays, during which the current treaty, first agreed in 1946 and since many times amended, would remain in effect.

It is felt that continuing under the old treaty would be as disadvantageous for the British authorities and taxpayers as for the Americans.

At the same time, the British would be foregoing sums estimated to be as high as £50m a year by not closing an anomaly concerning foreign banks in the old treaty. A similar amount is at stake over capital gains on disposals by U.S. groups of North Sea concessions.

The feeling seems to be that the U.S. Treasury's original acceptance of clause 9.4 was a surprising concession and its deletion should not cause the loss of the whole treaty.

Councils face £25m Swiss loan loss

By Mary Campbell

THE Greater London Council and the London boroughs are likely to lose £25m-£30m as a result of the fall in the value of sterling against the Swiss franc since 1973.

The GLC Finance and Establishment Committee will be given details of the loss at its next meeting on July 7.

By March 1977 the GLC had set aside some £4m to cover its half share of the loss. Further sums are likely to have been set aside since then.

The loss arises from a SwFr 200m seven-year loan arranged by the GLC in October 1973. About half the proceeds of the loan were made available to the London boroughs which will also carry about half the loss.

Unlike virtually all other public-sector medium-term borrowings in foreign currencies in recent years, this loan was made without insurance cover from the Treasury against potential losses arising from exchange rate movements.

Such cover was not at that time available on Swiss franc-denominated loans.

At the time it was made the SwFr 200m loan was worth some £27m. Since then the number of Swiss francs to the pound has fallen from 7.3 to 3.45, with the result that if repaying the loan today the GLC and boroughs would have to find £58m, £31m more than they originally borrowed.

It has made some savings on the interest rate. It has been paying 7¼ per cent on its Swiss franc loan, compared with 12 per cent which would have been payable on a sterling loan taken out at the same time.

This saving brings down the total nominal loss so far to between £25m and £30m.

The loan is not due for repayment until 1980, so that the loss is so far only nominal.

In theory exchange rates could move in the opposite direction in the next two years and eliminate the nominal loss.

However, in practice no-one expects the pound to recover against the Swiss franc to the extent of eliminating the loss altogether, while it is possible that by the time of the repayment date in 1980 this might be even larger than it is now.

At the time the loan was arranged it was felt by both the GLC and the London boroughs that the saving in interest was substantial enough to justify the risk of a foreign exchange rate moving the wrong way.

Continued on Back Page

£ in New York

—	June 28	Previous
Spot	$1.8570 2580	$1.8540-8560
1 month	0.50-0.44 dis	0.50-0.44 dis
3 months	1.36-1.30 dis	1.42 1.36 dis
12 months	5.10-4.90 dis	5.30-5.10 dis

TWA seeks transatlantic fares rise

BY JOHN WYLES NEW YORK, June 28.

A SIGNIFICANT increase in transatlantic air fares may be triggered by Trans World Airlines which has filed a request to put up its fares by 5 to 15 per cent.

The application to the U.S. Civil Aeronautics Board is based largely on cost increases which, it says, have created a "pressing need for additional revenue." Since none of these higher costs are particular to Trans World Airlines other major carriers, notably British Airways and Pan American World Airways, are thought likely to be tempted to follow TWA's lead.

While stressing that it will retain the cut-price structure which has so radically cheapened transatlantic air travel over the past nine months, the airline wants to raise its budget and stand-by fares by up to 15 per cent.

On the New York-London route the round trip would cost $289 (£157) from November 1 against $256 (£139) last winter.

It is also seeking the first increase in economy fares since November, 1974.

It points out that the CAB has not allowed any increase in this fare in nearly four years, during which time the consumer price index has risen by 23 per cent.

The fare increases would apply to transatlantic routes to Europe but not the Middle East. Major cities served by TWA include London, Paris, Geneva, Barcelona, Lisbon, Madrid, Rome, Milan, Frankfurt, Athens, Nice and Dublin.

TWA's proposed increases average 7.5 per cent. The airline says that its international passenger commission expenses have risen 33 per cent since 1976 and that the new cheap fares structure is significantly raising the costs of its reservations service.

Promotional discount fares, said TWA, have reduced its transatlantic passenger yield in the first quarter of 1978 by 3.1 per cent and it argues that the compensating increases in load factors cannot be expected to continue at the same rate.

The airline presents an analysis of transatlantic traffic growth which it claims is less spectacular than may at first appear. Much of the traffic increase attributed to discount fares is alleged to be the result of travellers changing their routes in order to obtain the fares.

If adjustments are made for diverted traffic, then between November, 1977, and January, 1978, the actual growth in the London-New York market was 14.9 per cent and not 50 per cent as some surveys have indicated. This rate of increase is broadly in line with traffic growth in other transatlantic markets which have not enjoyed promotional fares.

Michael Donne writes: British Airways said it had no immediate plans to follow TWA's example and seek rises in Atlantic air fares from this autumn. But it is watching the situation and will take decisions in the light of its experience this summer with the cheap fares now on offer.

Privately, BA and other scheduled airlines on the route say that the TWA move is the first indication that the cheap fares bonanza could well be petering out.

IATA talks Page 6

Lloyd's backs U.S. bid

BY JOHN MOORE

LLOYD'S OF LONDON formally confirmed yesterday that it had approved the latest £24m bid by Frank B. Hall, the third largest quoted U.S. broker, for British - based Lloyd's broker Leslie and Godwin.

After some relaxation of a recent and highly controversial Lloyd's ruling, an announcement of the full terms is expected today in a complex package.

Lloyd's issued a carefully worded statement after a morning committee meeting designed to clarify its 20 per cent ruling in the light of the Hall bid.

The ruling, drawn up over two months ago, stipulated that no insurance company, underwriting agency, or a non-Lloyd's broker may normally hold more than 20 per cent of a broker seeking recognition.

It explained yesterday that a principal consideration in approving the Hall proposals was "that day to day control of a Lloyd's broker should lie in the hands of those with long experience in and knowledge of the Lloyd's market and that financial control should not be in the hands of an insurance company, underwriting agency or non-Lloyd's broker."

Hinting that the committee had relaxed the ruling for the bid, Lloyd's said that "although flexible within the terms of the specific case concerned, the normal limit of the equity holding of any acceptable insurance interest in a Lloyd's broker would not be greater than 20 per cent."

Hall is expected to have a 25 per cent holding in the Lloyd's broking interests of Leslie, while Rothschild Investment Trust could hold at least a quarter and possibly substantially more. The trust already holds about 10 per cent of the Leslie equity.

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FEATURES

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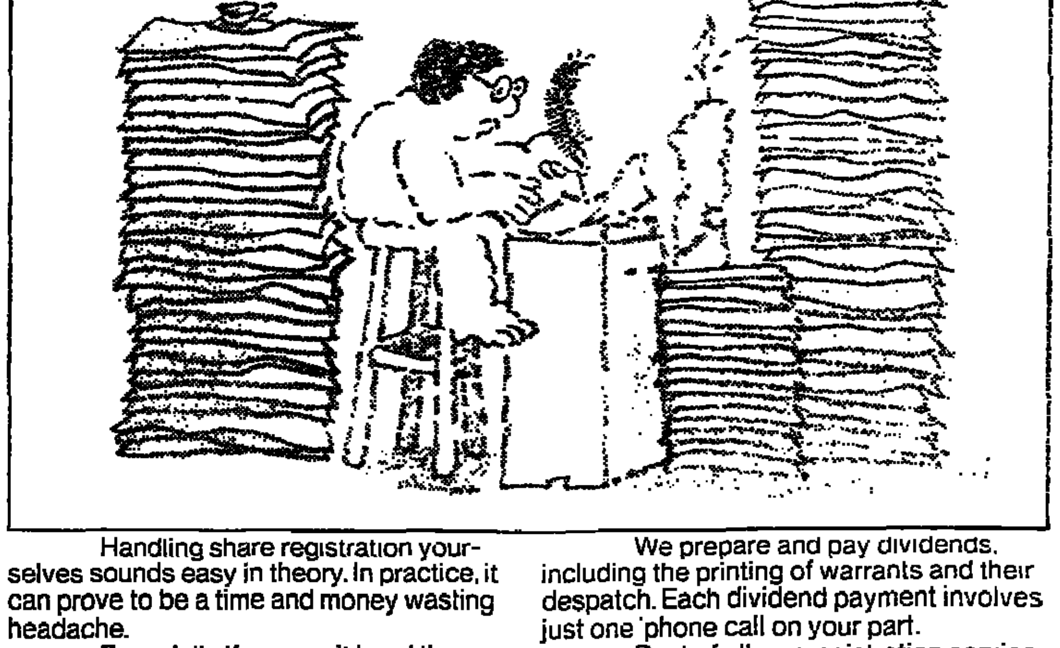


Holland to go ahead with uranium sales

BY CHARLES BATCHELOR

AMSTERDAM, June 28.

THE Dutch Government today defended in parliament its plan to deliver enriched uranium to Brazil despite its failure to get watertight guarantees against misuse. Mr. Dries Van Agt, the Prime Minister, said the government would not agree to go back to its British and German partners in the project for yet more talks. Refusal to approve the deliveries would do serious harm to Holland's credibility as a negotiating partner, he said.

The government's success in persuading a majority in the lower house to allow deliveries to go ahead depends on the attitude taken by Christian Democratic MPs. Although the Christian Democrats are the senior partner in the two-party coalition government a large number of their own back-benchers are strongly opposed to the uranium export plan.

The right wing Liberal Party is expected to support the government when it comes to the vote although it too wants every effort made to achieve firm guarantees. Labour, the major opposition party, is opposed to the deliveries and is in favour of a motion making all materials likely to lead to a proliferation of nuclear capacity subject to export licences. The Christian Democrats and Liberals together have only four seats more than the combined opposition in the 150-seat lower house and the defection of some of their own back-benchers could lead to a defeat for the government.

This is the second attempt to get approval for uranium exports through parliament. In January the government was forced to withdraw its plan to give immediate approval for the exports. It had to go back to its British and German partners in the Urenco project to see if they would agree to setting out tougher conditions for the deliveries. It also asked Brazil if it would give tighter guarantees. The UK and Germany refused to set tougher terms although Brazil indicated it was prepared to agree to either a permanent or an ad hoc system of storing plutonium produced from the uranium before deliveries start in 1981.

The government informed parliament last week it thought this met the spirit if not the letter of the motion accepted by parliament in January.

The Dutch are under strong pressure from the UK and Germany to agree to allow the exports. Urenco has a uranium enrichment plant at Almelo in eastern Holland and another at Capenhurst, Cheshire and has a contract to supply nuclear fuel to Brazil. The Germans have threatened to build their own plant if Holland cannot agree to the deliveries.

The government view is that Holland would lose any influence in the proliferation of nuclear capacity if it withdrew from the three-nation project. Its opponents fear that Brazil would use the plutonium to produce nuclear weapons. Brazil has not signed the international treaty on the non-proliferation of nuclear weapons.

Continued Christian Democratic party opposition to the government's plan could lead to a crisis in the six-month-old cabinet but political sources in the Hague thought it unlikely the party rank and file would take it this far.

● The largest ship of the Zeeland Steamship Company, British Rail's partner on the Harwich to Hook of Holland route, enters service between Britain and Holland today. She is the 9,000 ton Prinses Beatrix, named after the heiress presumptive to the Dutch throne. She cost £20m and was launched in January at Verolme Sheepswerf's yard at Heusden. Prinses Beatrix is a two-class ship with accommodation for 1,500 passengers by day and 1,028 by night. She can also carry 330 cars.

Vietnam bid to become full member of Comecon

BUCHAREST, June 28.

VIETNAM HAS applied to become the tenth full member of Comecon, the Communist economic grouping now conferring in Bucharest.

The application had been submitted by Vietnamese Deputy Premier Le Than Nghi to Comecon's policy-making council, now in the second of three days of discussions of new long-term development programmes.

Western analysts believe the move indicates Vietnam's growing alignment with the Soviet Union, the dominant force in Comecon, after many years in which Hanoi leaders sought to maintain neutrality between Moscow and Peking.

At present Vietnam has observed status with Comecon. Other observer delegations attending the Bucharest session are from Laos—also believed now closer to Moscow than Peking—Angola and Ethiopia.

The Soviet Union and its allies welcomed the Vietnamese move for the potential boost that membership of Comecon could give to its economy—but were not ready to make a final decision at this stage.

Vietnam's entry could cause Comecon problems similar to those that would arise from the expected eventual entry of Portugal and Greece into the European Economic Community.

Although Comecon has a vastly different structure to the EEC, it would have similar problems in absorbing a largely agricultural country, such as Vietnam, still recovering from almost 30 years of war.

The organisation is already struggling with similar problems caused by the entry in recent years of Mongolia, another close political ally of the Soviet Union on China's borders, and Cuba.

The question of Vietnamese membership is unlikely to be finally decided at least until next year's council session in Moscow, which will mark Comecon's 30th anniversary. But it is more likely that Hanoi will have to wait two or three years.

Reuter

Paul Lendavi in Vienna writes: Soviet Prime Minister Alexei Kosygin and his two deputies, Mr. Nikolai Baibakov and Mr. Vladimir Kirillin, called at the opening session of the Comecon council meeting in Bucharest to speed long-term economic co-operation.

Mr. Baibakov, as chairman of the committee on co-operation in planning, told the meeting that long-term programmes were complete for fuel, energy and raw materials, engineering, food production and agriculture.

The Giscard visit: co-operation and conflict in ties with Spain

Premier Adolfo Suarez: circumspect on Africa.

President Giscard d'Estaing: important step for Madrid.

BY ROBERT GRAHAM

MADRID, June 28.

THE RESTORATION of democracy in Spain placed the Government in a quandary over where to put visiting heads of State. General Franco's former residence, the Pardo Palace just outside Madrid, was rejected as unsuitable. In the end the Government opted for the former home of the Spanish monarchs at Aranjuez some 60 km from the capital. At considerable expense this palace has been restored and modernised, and today opened its doors to its first formal guests, the French President, M. Valery Giscard d'Estaing and his entourage.

It is highly appropriate that President Giscard d'Estaing should be inaugurating Spain's new residence for visiting heads of state. He was the most senior foreign representative present at th proclamation of Juan Carlos as King of Spain in November, 1975. He is now the first head of state of a European country to come on an official visit to Spain. Moreover, France and Spain, apart from being neighbours, are major trading partners. Spanish exports to France account for 20 per cent of total exports and France is Spain's biggest single trade partner.

The visit symbolises the closeness of the two countries. But the relationship is not without strains and there is a gap between the expressions of friendship and how they are translated on the ground. This gap can *be found* in two principal areas — foreign policy regarding Africa, especially the future of the former Spanish Sahara, and the broad topic of *Spanish entry into the EEC.*

On foreign policy, France is anxious to ensure full Spanish support for its initiatives in Africa. The Spanish are sympathetic to the general idea of an activist French role in Africa to protect Western interests. But they hold reservations over the extent to which this support should be public. Yesterday Premier Adolfo Suarez returned from a two-day visit to Morocco which has prompted talk of a Paris-Madrid-Rabat axis for North Africa. But although this would be attractive to France and Morocco—both as a means of containing the Polisario Liberation Movement in the Sahara and of supporting Mauritania and Chad, the weak North African links dependent upon France—the Spanish have to be more circumspect.

Algeria is an important trading partner for Spain and Madrid is trying to mend fences with Algiers in order to cool the issue of Canaries independence and Algerian support for the small Canaries liberation movement, MPAIAC. Algeria has strongly attacked the creation of a closer alliance of Spain with France and Morocco. Indeed if the three were to move closer together it would probably complicate any negotiation with Algeria over the future of the former Spanish Sahara as well as harden Algerian attitudes to Canaries independence.

The French position on Spain's entry into the Common Market remains equivocal and, in one important respect, contradictory. France has strongly supported the establishment of democracy in Spain. Within the EEC a principal reason for *supporting* Spanish membership has been the argument that this would serve to reinforce the democratic process in Spain. Yet of all the EEC members France has consistently displayed the most negative attitude towards Spanish membership. Both the Spanish Socialist and Communist Parties have been privately critical of the attitude of their French colleagues on this.

In a recent paper prepared by the Ministry of European Affairs here, the French agricultural lobby is bluntly described as the grouping "most reluctant" to accept an enlargement of the Community. The contacts held so far with French officials have not diminished the Spanish fear of the potential strength of this opposition and its influence on official French policy. Few believe here that despite the cordiality of this four-day presidential visit M. Giscard d'Estaing can offer satisfactory assurances.

The decision by Spain to opt for the purchase of 48 Mirage F-1 aircraft against U.S. competition is seen here as a gesture to France of a desire to collaborate. But the Spanish want to make the point that such gestures cannot be unilateral. By defering to French pressure on the purchase of new military aircraft they do expect something in return.

The French have recently complained of the imbalance in trade with Spain. Last year Spanish exports exceeded imports of French goods by Fr 1.5bn—a major change after years of deficit.

Barcelona dockers ordered to work

BY DAVID GARDNER

BARCELONA, June 28.

THE CIVIL GOVERNOR of Barcelona last night ordered dockers in Barcelona's ports, who have been operating a go-slow, since May 4, to return to normal working within 24 hours. The ultimatum threatens the dockers with automatic dismissal, and possible charges of sedition.

The Port of Barcelona is a major outlet for manufactured and semi-finished goods, and the two month old conflict has led to a 10 per cent surcharge being imposed by several international conference lines. Two more conference lines—River Plate Mediterranean and Brazil Mediterranean—have joined the U.S. based Melgulf and Iberian conferences in introducing the surcharge, while the West Coast conference is reportedly considering similar action.

But although local industrialists have expressed growing concern at the possible loss of contracts if the situation deteriorated further the Civil Governor's decision was unexpected. Basing himself on laws relating to public order and strikes in public services, the Civil Governor proposes to send replacement labour into the docks under para-military police escort.

The two principal demands of the dockers call for a phasing out of the present system of piece work, and an improvement in safety conditions. A man was killed three weeks ago by a falling bale and this morning a tragedy was narrowly avoided when a cable snapped releasing a container on to a spot where dockers had been working minutes beforehand.

The dockers maintain that their demands were ignored in norms issued two weeks ago by the Government, and are due to hold an assembly late this evening to reply to the ultimatum. Trade union sources think it likely that the assembly will decide to renew normal working, and fight the Governor's order through the courts. But none of the mainline trade unions have won control over Barcelona's 1,800 dockers and it is doubtful that productivity, down 60 per cent according to port authority sources, will greatly improve in the present climate of hostility.

● Gunmen believed to be Basque separatist guerrillas have shot dead a Bilbao newspaper editor in a new upsurge of political violence.

Jose Maria Portell was ambushed by youths armed with pistols and machine-guns as he left home for work.

Bilbao police said the style of the attack pointed to ETA, which is fighting to make an independent, Marxist state of the four Spanish and three French Basque provinces.

Reuter

Greece runs higher trade deficit to May

By Our Own Correspondent

ATHENS, June 28.

A 10 PER CENT increase in imports and a near-standstill in exports resulted in a trade deficit for Greece of $1.768bn in the first five months of this year compared with a deficit of $1.531bn in the same period last year.

According to figures published by the Bank of Greece, imports in January-May totalled $2.92bn while exports increased by only 3.2 per cent to $1.153bn.

The trade deficit was largely covered by a 12.5 per cent increase in invisible earnings which totalled $1.373bn. These came mainly from tourism, which was up 68 per cent at $420m shipping, which rose 46 per cent to $475m, and emigrants' remittances, which increased 10.8 per cent to $565m.

Invisible payments totalled $403m, leaving a deficit on current account of $795m in January-May this year, an increase of 22.8 per cent over the same period of 1977.

Last week the Government announced a series of measures meant to combat inflation and curb imports of luxury goods.

● Considerable interest was expressed by Arab companies and businessmen in investment projects in Greece during the three-day first Greek-Arab investment meeting which ended in Athens today.

While no immediate sizeable Arab investments in Greece were expected from the meeting, it was generally agreed that there was a wide range of opportunities for an increase in the fast expanding co-operation between Greece and the Arab world.

More than 100 Arab bankers, investors, lawyers and economists from 11 Arab countries participated in the meeting.

They were presented with economic profiles of 78 specific investment projects for which Greek businessmen are seeking Arab capital either through equity participation or through loans. Many of the projects concerned expansion of existing Greek plants which already export all or a large part of their production to the Middle East.

They also included several large projects planned by state agencies such as the $640m petrochemicals complex by the Hellenic Industrial and Mining Investment Company. Interest in this project came from Libya.

Paris daily newspaper closes down

By David White

PARIS, June 28.

ANOTHER FRENCH national newspaper bit the dust today. The Quotidien de Paris, a centre-left tabloid just over four years old, left the scene with something of a whimper in an edition of eight pages.

Its fragile finances, overshadowed by more sturdy competition, finally gave in under the pressure of a strike yesterday by part of its editorial staff.

As M. Philippe Tesson, editor-in-chief, said in his parting editorial, the Quotidien was always "more of a promise than an accomplishment." Its print-run after the first few numbers was never more than 35,000 and its circulation was at best 25,000

The Quotidien was distinguished, if by nothing else, by a flair for headlines, cleverer, apter and above all briefer than other French newspapers with serious pretensions. This morning's was, however, just a melancholy "The Last Quotidien," echoing the last bow in December of the short-lived J'Informe.

J'Informe, set up as a pro-Government alternative to the evening Le Monde by M. Joseph Fontanet, a former Centrist Minister, lasted three months

French Cabinet approves 3.8% rise in basic wage

BY DAVID WHITE

PARIS, June 28

FRANCE'S BASIC wage, the *SMIC, goes up next month by* a slightly larger than expected margin of 3.8 per cent.

The new rate decided at a Cabinet meeting today pegs the minimum hourly rate at FFr 10.85 (£1.29) bringing the increase over the last 12 months to 14 per cent compared with a 10 per cent rise in living costs.

The SMIC, which represents the basic earnings of about 700,000 French and immigrant workers, is automatically increased with every 2 per cent rise in inflation.

The latest rise means an effective increase in purchasing power of 1.7 per cent, compared with just over 1 per cent when it was last increased in May. But is is clear that the Government is expecting part of this gain to be eroded when this month's cost of living figures come through. The May index went up by 1 per cent after price increases for public services and this month's index has to take into account increases on tobacco and petrol.

In a batch of labour conflicts the only sign of progress is that Renault is hoping for an early resumption of talks with the press-shop strikers who have cost the company production of *20,000 cars at Flins. Talks were* suspended pending a return to normal working.

During the night, about 30 strikers who had reoccupied the press-shop after riot police withdrew on Tuesday were evicted in a scuffle with non-strikers armed with crowbars.

There were clashes today at picket lines in the Moulinex strike, where management and unions yesterday failed to reach agreement.

The strike movement in the Government's munitions plants and naval yards, now in its third week, shows no sign of easing. A poll in the arsenal at Brest yesterday showed 76 per cent in favour of staying out.

German living costs

The West German cost of living index rose 0.3 per cent in June after a 0.2 per cent rise in May, according to provisional figures from the Federal Statistics Office, Reuter reports from Wiesbaden. The index (base 1970) showed a 2.5 per cent gain this month over June last year, after a 2.7 per cent year on year increase in May.

Parties still at odds over new Italian President

BY PAUL BETTS

ROME, June 28.

ON THE eve of the first ballot of the Italian presidential election there still appears to be no all-party consensus on a *candidate* to succeed Sig. Giovanni Leone who resigned earlier this month.

The sudden resignation of Sig. Leone following a series *of* so far unsubstantiated allega*tions of* corrupt practices has presented the main political parties with a decision they had hoped to *avoid* until the end of the year, when Sig. Leone would have completed his seven-year term.

Coming so soon after the kidnapping and assassination of Sig. Aldo Moro, the former Prime Minister, the presidential elections, which are likely to be a *protracted* affair, are expected to act as a further serious obstacle to the attempts of the Christian Democrat minority Government to introduce its long overdue economic and social recovery programme.

The first ballot also falls as an International Monetary Fund *team* led by Mr. Alan Whittome, the Fund's European director, arrives here to review the Italian *economy* and open *formal* negotiations for a new standby facility of some $1bn. The Italian *Government is understood to* have hoped to negotiate the *new* facility before the August holidays *but*, *with* the presidential elections, this looks a remote possibility.

At the *same time*, the main political parties directly supporting the minority Government, clearly do not want to precipitate a confrontation over the presidential *elections which* could have serious repercussions on the fragile governing formula.

The Socialists and the smaller parties have been irritated by what they regard as a *lack* of consultation over the resignation of Sig. Leone by the two *largest* parties, the ruling Christian Democrats and the Communists. In turn, the *Socialists have insisted* on the nomination of a Socialist President, much to the annoyance of *the Communists*, who have been forced to harden their line towards a Christian Democrat *candidate*.

However, after the initial sparring, all the parties appear intent on avoiding an acrimonious contest, although they all want to demonstrate—at *least on the surface*—a degree of independence to their respective electorate.

At tomorrow's first secret ballot, the main parties are expected to put forward what are *generally regarded as their token candidates*, merely to test the mood of both houses of Parliament and the 58 representatives of the regions who elect the new President.

Next week, after the first four ballots requiring a two-thirds majority of the 1,010 voters (630 deputies, 322 senators and 58 regional representatives), the names of the more *likely* presidential candidates are likely to emerge, if an inter-party agree*ment has not been reached* earlier in the course of the traditional frantic lobbying. Subse*quent to the first three ballots*, only a straight 51 per cent majority is necessary to elect a *President*, leaving a larger area for party manoeuvres.

Of the possible candidates, the names consistently voiced in the past days are Sig. Benigno Zaccagnini, the reformist secretary-general of the Christian Democrat Party, Prime Minister Giulio Andreotti. *Sig. Antonio* Giolitti, one of Italy's two EEC Commissioners who would have *Socialist* backing, and, less *likely*, the veteran Republican Party leader, Sig. Ugo La Malfa.

● A seaside villa owned by the *son and* daughter of former Deputy Premier Ugo La Malfa was damaged today by fire bombs, police told Reuter in Rome.

Sig. La Malfa, who uses the villa south of Rome, has served in many coalition Cabinets and supports Communist participation in Government austerity plans to restore the Italian *economy*.

Use of bio proteins to feed animals officially limited

BY OUR OWN CORRESPONDENT

ROME, June 28.

THE ITALIAN health council said after a meeting here tonight that bioproteins could *only* be used at present to feed animals *not reared for human consumption*.

The council's decision now *awaits formal ratification* by the Health Minister, Signora Tina Anselmi.

The *bioprotein issue, and* possible health hazards associated with the substance, have been the subject of heated debate in Italy during the apst eight years. At the centre of the controversy are two Italian *chemical* groups —the State-controlled ANIC concern and Liquichimica—which have been *awaiting* permission *to produce* bioproteins at completed plants in Sardinia and Calabria.

However, since 1976 the two groups have been authorised to *produce* not more than *40,100* tons annually of bioproteins on an experimental basis and not *for commercial use*.

Repeated delays by the health authorities in ruling on the *issue led to a decision* this *year* by ANIC and its partner, British Petroleum, to liquidate their £40m *joint venture* at Sarroch in Sardinia.

New chief for Bank of Italy

By Our Own Correspondent

ROME, June 28.

SIG. CARLO CIAMPI was appointed Director-General of the *Bank of Italy today after the* resignation of Sig. Mario Ercolani, who is about to reach the retire*ment age of* 65.

Sig. Ercolani's decision to retire is widely thought to have *been taken to ensure an* internal nomination to his post and to avoid outside political interference.

The new Director-General, who is 57, was formerly a deputy Director-General and has worked for the bank since 1946. It is understood that Sig. Ercolani may join the Treasury to reinforce the team of the new Treasury Minister, Sig. Filippo Pandolfi.

Communists may run San Marino

SAN MARINO, June 28.

SAN MARINO'S Communist *Party was today asked to form* a new Government after the Christian Democrats failed to put *together a centre-left* Admini*stration*.

The two Captains-Regents of *the republic, on the hills near* Rimini on Italy's Adriatic coast, handed the Communists an official mandate and asked them to report back by July 5.

It is the second time this year that the Communists have been asked to form a Government. Their first attempt failed and led to inconclusive general elections in May.

Reuter

Moscow-based U.S. journalists accused of slander

MOSCOW, June 28.

THE MOSCOW CITY COURT today served two U.S. correspondents with a writ for slander in an unprecendented *action against Western* journalists. The action involved the reporting by the Americans *of a dissident's televised* confession.

In the writ brought by the state television committee, Mr. *Craig Whitney of the New* York Times and Mr. Harold Piper of the Baltimore Sun *were accused of publishing* false information and slandering television employees.

The suit was the first con*nected with the work of* Western correspondents in the Soviet Union. It demanded a *printed retraction of articles written* by the two men, which quoted the dissident's family in Tbilisi, capital of Soviet *Georgia*. The action is the latest development reflecting the recent dip in relations between Moscow and Washington.

As Mr. Whitney and *Mr. Piper were* in court today, the U.S. embassy was dealing with the case of seven Soviet *Pentecostalists* who dodged past Soviet police outside the embassy building to seek U.S. assistance. *The Pentecostalists*, who ran into the embassy yesterday and spent the night in armchairs, said they would not leave until the Soviet authorities gave them permission to emigrate.

Embassy officials said today that the church group — five members of the Vashchenko family and another Soviet woman and her son—would not be forced to leave. However, when the group does leave, which is probable eventually, it faces almost inevitable prosecution. The dilemma of the U.S. *diplomats is all the more acute* in the light of President Carter's criticism of the Soviet record on *human rights*.

Another U.S.-Soviet wrangle was somewhat defused yester*day by a three-prisoner agree*ment between Moscow and Washington. One of the *prisoners*, a U.S. *businessman*, was resting today after being released from a KGB security police *jail*.

The two correspondents are accused under an article of the civil code giving citizens the right to receive a retraction from someone who has impeached their honour and dignity. They must now appear in court on July 5 to hear the complaint that they "denigrated the honour and dignity of members of the State Committe for Television and Radio."

In the articles cited, the journalists quoted sources close to the family of dissident *writer Zviad Gamsakhurdia* as saying they believed the authorities had fabricated the *televised confession*. Mr. Gamsakhurdia was one of two members of a Helsinki accord *monitoring group in* Tbilisi sentenced to labour camp and exile last month.

About 30 correspondents, representing most *of Moscow's* Western press corps, waited in the anti-chamber of court while *Whitney* and *Piper* received the writs.

The Soviet authorities have recently stepped up harassment of journalists covering dissident events, an activity the authorities regard as hostile. In recent weeks, reporters have been subjected to intimidation in the streets, photographed and filmed at close quarters, and hosed down with water. Today three correspondents who covered a dissident trial returned to find that a tyre on each of their cars had been let down.

Reuter

TOURISM IN EAST EUROPE

Seeking a place under the Socialist sun

BY LESLIE COLITT IN EAST BERLIN

EAST GERMANS are *displaying* a yearning for far-away places that has made this country's citizens the leading *travellers in* COMECON. From the beaches of Bulgaria to Soviet Central *Asia*, East *Germans* are *making* up for the many years when they could only leave their country *with the greatest difficulty* even for other Communist countries.

Frau Hanna Mersemann from *Dresden has ranged farther afield* than most East German holidaymakers, but she does illustrate *the Wanderlust at large here*. This past winter she took a cruise to Cuba and this summer *she is off with her husband* to the Caucasus Mountains. As the wife of a plumber with his own flourishing shop, there is money to be spent. There is, however, one place Frau Mersemann *says* she would like to go but no amount of money will buy her a trip there — West Germany. "Just for a week to see the Rhine and the Alps," she says wistfully.

Out of a population of 17m East Germans made nearly 12m trips outside their country in 1976. From other bloc countries, *the* Czechs came second, with trips abroad for 54 out of 100 inhabitants. Then come the Hungarians and the Poles and, at the bottom of the list, are the Romanians with two trips out of *the* country and Soviet citizens with one trip per 100 inhabitants. That Soviet citizen is *likely* to be an official on business.

The East Germans make 2.8m trips abroad, many of them to *West Germany*. This, however, is almost wholly accounted for by pensioners who are allowed to visit the West for 30 days a year once they reach retirement age. Far fewer Hungarians, *Poles or Czechs* reach the West. But there are no age limits for them and qualifying is largely a *question of* obtaining enough hard currency.

Mass travel across Eastern Europe's borders began in January 1972 when East Germany and Poland dropped visa requirements for each other's citizens. Last year Poles made 7m trips to East Germany or 67 per cent of all the foreign trips made by Poles while East Germans visited Poland on 4m *occasions*. *Poles* are attracted mainly by better stocked East German stores than by the *scenery*, and *restrictions* have again been imposed on their travel to East Germany to preserve *shop inventories*.

Currently Poles who buy East German currency must pay a 23 per cent fee for East German *marks while East Germans* get a 14 per cent bonus in zlotys for their marks. The Poles are also limited to a fixed amount of both East German marks and Czechoslovak crowns each year and there is a *thriving* Polish black market in both currencies. Czechoslovakia has also dropped visa requirements but limits the amounts of crowns which East Germans or Poles may buy. One reason is that more Western goods are available at lower prices *in Czechoslovakia* than in the other two countries.

East Germans travel to Poland and Czechoslovakia on week-end trips and summer holidays with the great majority making their own arrangements. Hotels are especially *scarce in Poland where* the existing rooms are taken up by Westerners. To the younger East Germans the exposure to Polish ways is a revelation. One East German student says that *crossing into* Poland is like taking a breath of fresh air. He praised the relative freedom in Polish youth hostels where young East Germans can meet Westerners and other East Europeans and mingle with them as is not possible at home.

Older East Germans often only seem to find their preconceptions about Poland confirmed.

For citizens of Poland and Hungary there are fewer political barriers to travelling to the West than monetary ones. *Citizens* of these countries can get permission and exchange money for *travel to the West every three* years on average. In Czechoslovakia one can buy a maximum *of* $220 *for the trip which* is the equivalent of 2½ months' average wages. In Hungary one can get $200 and in Poland $130 which is the equivalent of 1½ months' wages.

Package tours to the West can also be booked through the state *travel agencies but only* 3 *per* cent of the Czechs who travel to the West do. The reason is that *a two week air trip to the Costa* Brava and Madrid with hotel, full pension and $60 pocket money *cost the equivalent of six months'* wages in Czechoslovakia.

East Germany's state travel *office this year offers several* trips to other Socialist countries ranging from a two-day excursion *to neighbouring Lower Silesia in* Poland for 278 marks to a 14-day grand tour of the Soviet Union *for 1,610 marks. For years East* Germans avoided travel to the Soviet Union but now a growing *number of them are taking in* Sochi on the Black Sea. One East German sums up his impressions after a trip through the Soviet Union as "overwhelming, but *naturally you can't compare their* way of life with ours."

East Germans who stay at home during the summer try to *visit the Baltic Sea where over* 2.5m of them spend their holidays at trade union homes or camping on hopelessly overcrowded grounds. A 13-day stay at a union home costs 50-52 marks with full board for an adult and 30 marks for children. *Rail fares for the holiday trip* are reduced by 33 per cent. The many others who do not get a *room near the Baltic either try* for a trade union home at the Lakes to the north of Berlin or in wooded and hilly Thuringia. Summer holidays go on sale in the dead of winter and the queues which develop are reminiscent of those outside *shops in the early postwar years* when bananas arrived.

National enterprises are also so eager to build holiday camps for *their employees that Govern*ment planners complain that construction materials are being *haphazardly shifted* from *one* part of the country to the other.

One factory in the Leipzig area in the south of East Germany is being criticised for shipping tons *of building material* and equipment and sending dozens of its own workers to a lake in the *north of East Germany where* they erected a holiday camp. The bungalows have been completed *in time for summer occupancy* while an important factory extension is said to be hopelessly behind *schedule*.

NATO fears of Soviet arms offer to Turkey

By Jurek Martin

WASHINGTON, June 28.

THE SOVIET UNION has offered *Turkey arms supplies not available* from NATO sources, the *allied* commander *in* Europe told Congress *today*.

General Alexander Haig was *testifying*, with Mr. Cyrus Vance, Secretary of State and Dr. Harold Brown, Secretary of Defence, as part of the Carter Administration's drive to secure repeal of the partial embargo on arms sales to Turkey.

General Haig said he was confident that when the chief of the Russian *armed* forces visited Ankara last month "there were blandishments offered for items *no longer available* through western sources."

He predicted that if the embargo were not *lifted* and Soviet-Turkish relations consequently improved, as many as 50 *Warsaw Pact divisions could* be redeployed away from the Balkans for possible use in Europe.

In addition, General Haig said that Turkey would expel U.S. forces stationed there and *would itself re-orient its own* military resources away from the border with Russia to the frontier *with Greece*.

In that event, Turkey would continue to work to prevent the *reintroduction of Greece into* the integrated NATO military command structure.

Mr. Vance agreed that ending the Turkish embargo would impose new strains on American relations with Greece, but he said he did not think the stability of the Greek Government would be jeopardised as a result.

AMERICAN NEWS

Producers complain at steel import level

By John Wyles

NEW YORK, June 28.

ALTHOUGH U.S. steel imports declined last month, U.S. steel producers are complaining that the fall was far less than they expected and are raising questions about the adequacy of protection afforded by the Government's trigger-price system.

Mr. Frederick Langerberg, president of the American Iron and Steel Institute, said yesterday that much of the industry was "alarmed and surprised" at the volume of imports in May, *when the trigger-price mechanism* was expected to have its first significant impact. "We thought imports would be close to 1m tons," he complained.

Instead the Institute's figures pointed to a volume of 1.51m **tons of imported steel, 30 per** cent lower than the April figure and 17 per cent down on May 1977.

Some of the steel industry's indignation can be attributed to its desire to maintain pressure on the administration to reform the trigger-price system, but on the surface it seems possible that the Institute may be correct in forecasting steel imports for this year higher than the 14m tons predicted when the Government's plan was unveiled late last year.

In a dash to get under the trigger barrier, importers placed huge orders for foreign steel at the beginning of the year, so that in the first five months of 1978 imports totalled 9.43m tons, which is 51 per cent higher than the volume imported in the same period last year. The U.S. Treasury's view is that the May figure was inflated by the late arrival at the customs service of import documents for steel which was actually landed in April. As a result, the Treasury believes the June figures will show a substantial decline.

The bulge in imports is attributed to the fact that the Treasury allowed all fixed-price contracts placed before January 9 to be imported by April 30 without reference to the trigger-price system. Introduced in mid-February, the mechanism sets minimum prices for steel imports based on the costs of the world's most efficient producer, Japan. Steel imported below the trigger-price is liable to accelerate a Treasury anti-dumping investigation.

Entebbe raid passengers sue airlines

NEW YORK, June 28.

PASSENGERS ON the hijacked airliners stormed by Israeli commandos at Uganda's Entebbe Airport in 1976 have filed a civil suit here claiming $130m in damages from Singapore Airlines and Gulf Aviation. The suit filed in Manhattan Surpreme Court on behalf of 194 passengers and *the families of four passengers*, claimed that the two airlines were accessories and accomplices to the hijacking by pro-Palestinian guerrillas.

It said investigations had shown that the airlines allowed the hijackers aboard flights from Kuwait to Athens carrying heavy arms and explosives. At Athens the guerrillas boarded a Paris-bound Air France airliner and hijacked it to Entebbe. It was held there for nearly a week before Israel launched its raid to free the passenger hostages.

The suit alleged that Singapore Airlines and Gulf Aviation failed to take proper security measures and "by their acts and omissions aided and abetted the hijackers."

A $145m suit against Air France, filed in Chicago by 45 passengers on the hijacked flight, is still pending.

Reuter

Supreme Court bans college race quota admission rules

BY JUREK MARTIN, U.S. EDITOR

WASHINGTON, June 28.

THE U.S. Supreme Court today resolved one of the most controversial cases it has heard in years—concerning "reverse discrimination" against white Americans—in a series of rulings which, taken together, appeared to offer some degree of satisfaction to all sides.

The court ruled, by five to four, that a state university in California was wrong to deny admission to a white man, Mr. Allen Bakke, because it reserved a certain number of places for members of minority groups.

But, at the same time, the court ruled that it was proper for institutions to take into account racial considerations in framing admissions policies. While the court declared invalid the quota system operated by the Californian university, its ruling would appear to leave intact the considerable number of public and private "affirmative action" programmes at many levels of society which seek to promote opportunities for those who have suffered discrimination in the past because of their race and sex.

The Bakke case had been of consuming interest to the U.S. Government, to minority groups, educational interests and civil libertarians. It had been per*ceived as one of the great Litmus* tests of the legally-backed progress towards equality of opportunity in U.S. society, in which great strides have been made since the famous Brown versus Topeka, Kansas, Board of Education ruling in 1954, which outlawed discrimination on racial grounds in the public school system.

This interest was reflected in the fact that the nine justices of the court today wrote six different opinions on various aspects of the case. But—on the two key issues (upholding Mr. Bakke and the lawfulness of the use of racial considerations)—the court divided five to four.

Last year, Mr. Bakke, who was twice denied admission to the medical programme at the University of California at Davis, in 1973 and 1974, won his appeal against that exclusion in the state superior court. That body, usually one of the most liberal in the country, ordered the university not to consider race in its admission policies.

But today, Justice Lewis Powell *in a key part of the leading* opinion, wrote that the Californian courts "had failed to recognise that the state has a substantial interest that legitimately may be served by a properly devised admissions programme involving the competitive consideration of race and ethnic origin."

Justice Powell rejected as "seriously flawed" the university's contention that its admissions programme — which reserved, in 1974, 16 places out of 100 for ethnic minorities—was the only way to achieve ethnic diversity. He cited other universities, including Harvard, which took racial considerations into account, without making them a sole criterion for admission.

In a parallel opinion, extending the principle beyond the university sphere, Justic William Brennan stated, "government may take race into account when it acts, not to demean or insult any racial group, but to remedy disadvantages cast on minorities by past racial prejudice."

"Justice Brennan, with three of his colleagues concurring, said that the ruling today "affirms the constitutional power of federal and state governments to act affirmatively to achieve equal opportunity for all."

Justice Thurgood Marshall, the only black on the Supreme Court, agreed that race should be a factor in university admissions programmes, but dissented from the verdict that the Californian university practice was unlawful. He thought that countless government programmes might be adversely affected by the verdict.

Four justices, in part, took a relatively narrow view of the Bakke case. They concluded that the 1964 Civil Rights Act meant a race cannot be the basis of excluding anyone from participating in a federally funded programme." These justices voted in favour of admitting Mr. Bakke to the university but, in the words of Justice John Paul Stevens, dissented from the judgment "to the extent that it purports to do anything else."

But civil rights groups generally were relieved today that the court had gone so far as to address itself to the legitimacy of the race question.

The head of the American *Civil Liberties Union took simi*lar consolation and estimated that 90 per cent of existing affirmative action programmes would not be affected as a result.

In San Francisco, Mr. Bakke's lawyer said that this constituted a personal triumph for his client, and that he would be entering the university medical school in the autumn.

U.S. in Pretoria nuclear talks

BY DAVID FISHLOCK, SCIENCE EDITOR

CRUCIAL TALKS between the U.S. Administration and the South African Government open in Pretoria next Monday, aimed at persuading South Africa to sign the Nuclear Non-Prolefration Treaty.

Confirming this yesterday, Mr. Pik Botha, South African Minister for Foreign Affairs, said the discussions would be on matters "of mutual international concern" in nuclear energy.

South Africa has apparently supplanted India as the U.S. Administration's prime target among the nations with nuclear weapon potential which have not yet signed the treaty.

Mr. Gerard Smith, senior State Department official dealing with questions of nuclear proliferation, has already arrived in South Africa with the U.S. response to a package of demands from the South African Government. Mostly these demands concern guarantees of assistance over uranium enrichment, a crucial step in the provision of reactor fuel.

The view in Washington is that if the U.S. Administration accepts these demands, South Africa will be pretty firmly committed to signing the treaty. But South Africa also wants U.S. help in restoring its seat on the Board of Governors of the International Atomic Energy Agency (IAEA), "watchdogs" on proliferation.

This was a position it held until last summer, as the most advanced nuclear nation in the African continent, but which it lost to Egypt on a political vote. The vote was re-affirmed earlier this month.

The enrichment which South Africa wants from the U.S. includes fuel for its first two power reactors, under construction at Koeberg.

Even though South Africa has its own supplies of uranium and has operated its own enrichment process on pilot scale since 1975, it has admitted that the Koeberg reactors will be delayed by several years if the U.S. Government reneges on an earlier undertaking to provide the enrichment initially.

Still more urgently needed, however, are supplies of highly enriched uranium for South Africa's only existing reactor, the Safari research reactor. The U.S. hitherto sole supplier under IAEA safeguards, of all fuel for this reactor, has authorised no fresh deliveries since the end of 1966.

As a result, it is believed that the power level of the 20 MW (thermal) reactor has had to be reduced to a point where it is no longer a useful tool for nuclear fuel development.

The U.S. Government hopes to persuade South Africa to accept a less highly enriched fuel—35-40 per cent instead of 93 per cent—than it has previously supplied.

● The U.S. Government is understood to be about to make a *formal offer to Euratom* to reopen negotiations on U.S. enrichment supplies. A formula is being offered which will allow fresh discussions on supplies to begin but which makes it plain that all issues under discussion as part of the two-year international nuclear fuel cycle evaluation will remain outside their scope until the INFCE exercise has ended, late next year.

The new formula, therefore, goes at least part-way towards meeting French objections which have prevented discussion for some months.

$4bn plan for Canadian industry

BY VICTOR MACKIE

OTTAWA, June 28.

A FUND of $4bn to help industries in Ontario and Quebec adjust to increasing competition from developing countries was recommended today by the Economic Council of Canada.

Part of the 15-year fund could be used to create a development corporation for eastern Ontario and central Quebec, the areas which would be hardest hit by competition, the report prepared by the council says.

Its report, "For a Common Future," assesses Canada's relations with the developing countries. It says that freer trade among nations, such as is being negotiated at Geneva, will give developing countries a comparative advantage over Canada in the production of goods that are labour-intensive and based on to-day's technology.

Trade liberalisation threatens Canadian manufacturing in textiles, hoisery, clothing, leather products, electrical and electronic equipment, sporting goods, and toys, the report says. It claims that 250,000 jobs are at stake, 130,000 in Quebec and 100,000 in Ontario.

The $4bn fund would be used to restructure and reorganise certain industries. The council also proposes that the rate of growth of Canadian aid to developing countries should be moderated.

Savings in aid funds would be applied "in a different manner for esentially different purposes." The encouragement of industry by liberalised trade would be accompanied by the *restructuring* of Canadian industry to reduce the threat to jobs and manufacturing in Canada.

The 250,000 threatened jobs represent 15 per cent of the manufacturing labour force, and 3 per cent of all jobs in Canada.

RAMIFICATIONS OF PROPOSITION 13

The California cuts

BY MAURICE IRVINE IN LOS ANGELES

IN *ALAMEDA COUNTY*, near San Francisco, the chairperson of the local Yes on 13 Committee visited the nearby branch library to borrow a book and found the librarian receiving books but no longer handing them out. The library will shortly be closed because of the economies enforced by Proposition 13, the tax-cutting initiative approved in California on June 6.

In Oakland, 16 police recruits received their diplomas and posed for the traditional Police Academy class portrait. All 16 were handed dismissal notices 30 minues later. "Sorry," said their chief, "it's a Proposition 13 economy."

In Los Angeles, Mayor Tom Bradley and the city fathers tried to refuse their next pay increase and were told that such an action was barred by law. They can take the money, then hand it back.

In these and 100 other ways, the impact of Proposition 13 is being felt around the state. Although the full extent of the ramifications cannot be known for some months, it is already clear that a great deal more than surplus trimming will be excised from state and local government *here*.

In the state capital, Sacramento, and in city halls throughout California, officials are struggling with the painful task of deciding what services to cut, which workers to lay off, what charges to increase. One of the first casualties was the entire Los Angeles summer school programme. Some 350,000 students are without classes, while 10,000 teachers and school employees have been sent on an unpaid two-month vacation. San Diego followed the lead of Los Angeles and, according to the education chief, "dumped 45,000 youngsters on the streets."

On Saturday, the motion in Proposition 13 goes into effect, cutting more than $7bn from local tax revenues. To offset this loss, the California Governor, Mr. Jerry Brown and the legislature last weekend came up with a stop-gap programme, under which local authorities will be handed $5bn of the estimated $5.8bn now in the state Treasury.

Schools and colleges will receive the greatest slice of relief—$2.3bn, enough to keep their budgets at about 85-90 per cent of normal. Cities and counties will share $1.7bn, with the legislature directing that whatever funds are required be used to keep police and fire services at present levels.

Teachers

But this aid is only a temporary cushion. By the next fiscal year, the surplus will be wiped out. The State Assembly Speaker, Mr. Leo McCarthy, warned that the real day of reckoning lay ahead, and predicted deep local spending cuts and more widespread lay-offs.

Already, some 3,000 public employees, nearly half of them teachers, have been laid off, and current estimates are that at least 75,000 more will join them in the coming fiscal year because of public spending cuts. This has led to angry demonstrations in several cities.

In Los Angeles County, Mr. William Robertson, head of the AFL-CIO labour branch, said that he would call for a work stoppage if massive lay-offs or a wage freeze for public employees were announced. Mr. Robertson and a coalition of state employee groups are lobbying for new tax legislation which would benefit homeowners but exclude commercial interests. Some $4.5bn of the property tax savings resulting from the Proposition are expected to go to commercial and industrial *property owners. Homeowners* will get the other $2.5bn.

Mr. Brown has promised lay-offs will be "minimised." But, with the legislature working to slash a further $1bn from a state budget already pared from $17bn to $15.1bn, more dismissals are likely soon.

The governor has been warned that he would lose the black vote in California if he failed to support proposals to exclude business from the property tax benefits of the Proposition. The National Association for the Advancement of Coloured People claims that 50 per cent of all lay-offs caused by the Proposition would affect minority groups.

Mr. Howard Jarvis, the 75-year-old millionnaire who co-authored the initiative, retorted, "one result of this tax rebellion is that blacks and other minorities will get lower rents, taxes and utility bills. It's the best thing that ever happened to them."

One campaign promise by Mr. Jarvis was that utility rates would be cut by 10 per cent if the Proposition were passed. But electricity and gas companies say that savings to consumers will not be substantial — "less than $1 per month for each customer," said a Southern California Edison official. And there are few signs that landlords intend to pass on their savings to tenants by reducing rents. An isolated example was that of the owner of a Sacramento medical building who offered to cut rents paid by doctors if they, in turn, reduced patients' bills. The doctors said that they would cut their $21 office visit fee by $1.

Matching

A side-effect of the Proposition which annoys Californians of all political persuasions, including Mr. Jarvis, is that $2.4bn will flow from the state to Washington in added income taxes as a result of smaller property tax deductions here.

Mr. Jarvis and Mr. Brown called on President Carter to refund this windfall in the shape of "matching funds" which could be passed *back to local* authorities. But the White House was quick to tell the state that no help would be forthcoming from the federal government.

Another point which alarms many here is that, as local governments look more and more to the state for money, so local control declines. "We seem to be handing over everything but the keys to the courthouse," grumbled one county official.

OVERSEAS NEWS

Post-war low for dollar in Tokyo

TOKYO, June 28.

THE Bank of Japan stepped in to prop up the hard-pressed U.S. dollar today after it slid to a post-war record low of 203.80 yen on the foreign exchange market here. Dealers said the dollar responded to the Japanese bank purchases by rallying slightly to Y204.85 in hectic morning trading.

The Bank of Japan spread its purchases through several different Japanese commercial banks at various rates as the dollar fluctuated. This represented a new method in contrast to its previous practice of buying dollars through selected banks.

The banks used for the intervention were ordered not to give any details of the central bank activities. On Monday, the Bank of Japan bought a fairly large amount of the U.S. currency, estimated by some dealers as approaching $200m. But that intervention only succeeded in slowing the decline of the dollar, which accelerated this morning as the rush to exchange dollars for yen resumed.

Somali defects to Kenya

By John Worrall

ANOTHER HIGH-RANKING Somali diplomat, Mr. Osman Abshir Egal, has defected to Kenya, he was First Secretary in the Somali Embassy in Uganda.

Mr. Egal, 37, said here today that President Siad Barre was conducting a "reign of terror which has made several educated Somalis flee for safety to foreign countries."

He said President Barre was a "supreme dictator" who had trampled on the basic rights of the Somali people. In April this year the former Somali ambassador to Kenya, Colonel Hussein Haji Dualeh, defected to Kenya after deserting his brigade in the Ogaden. A group of army offices also defected to Kenya earlier this year.

Sheikh Yamani warns of sharp increase in oil prices in 1980s

BY VICTOR MACKIE

OTTAWA, June 28.

SAUDI ARABIA'S Oil Minister, Sheikh Ahmed Zaki Yamani, has warned that the present oil surplus is only temporary and that another sharp price increase is inevitable by the *end of the* 1980s.

Sheikh Yamani was in Ottawa today, conferring with Mr. Pierre Trudeau, the Prime Minister, and Mr. Alastair Gillespie, the Energy Minister, on the global oil situation.

Earlier this week, Sheikh Yamani addressed the annual meeting of the Canadian Society of Petroleum Geologists in Calgary, and said that the Organisation of Petroleum Exporting Countries (OPEC) has decided to refrain from increasing oil prices for the time being, in view of the surplus of world oil supplies.

But Sheikh Yamani warned that the surplus was only temporary, and another sharp price increase was inevitable by the end of the 1980s. The Sheikh *said that new energy sources are* unlikely to meet the bulk of demand in the next ten years. Consequently, when the current surplus diminishes, the world will once again have to depend on OPEC for world oil supplies.

"Unless" oil prices are permitted to grow gradually in real terms throughout the rest of the century, another sharp price increase is inevitable by the end of the 1980s by reason of the supply shortfall that is likely to occur by that time."

The Minister told Canadian Government representatives, as he had earlier told the *Calgary* meeting, that, because of the devalued dollar and inflation, the current price of $12.70 a barrel was worth only $7.70 at 1973 prices.

When compared to the price of $10.83 set in January, 1974, the current price shows a real deterioration of 29 per cent, he told the Prime Minister.

Sheikh Yamani said that, contrary to popular misconception, the flow of capital dollars to OPEC countries is not what it is assumed to be, and some OPEC countries "are even borrowing from the international financial market, thereby reducing their ability to grow at a satisfactory rate.

"The so-called transfer of resources from the *industrialised* countries to the oil-exporting *countries, initiated in 1974, has* reversed since 1975," he said.

Large-scale purge in S. Yemen

BY IHSAN HIJAZI

BEIRUT, June 28.

A LARGE-SCALE purge has been undertaken inside the armed forces in Southern Yemen amid rumours that the country's strongman, Mr. Abdel Fattah Ismail, was wounded in Monday's fierce fighting in the capital Aden.

Arab diplomatic sources said the purge covered a number of high-ranking officers suspected of sympathising with former President Salem Robei Ali, who was executed along with two of his followers when their alleged attempted coup failed.

Reports about Mr. Ismail, the Marxist - Leninist Secretary General of the ruling National Front, were printed today in the Saudi and Kuwait Press.

Newspapers in Riyadh said that he was rushed to Moscow for medical treatment, while Kuwait's daily Al Rai Al Aam claimed that he died on the plane. The rumours could not be confirmed here, if he in fact were killed, Aden would probably have announced it.

Reports from Aden, published in the Press here today, said the house of then new head of state, the Prime Minister, Mr. Ali Nasser Mohammed, was shelled when the Central Committee of the National Front met there late Sunday night to discuss action against Mr. Rubai Ali. The former President intended to have them all killed.

Analysts here spoke of the deeper causes of the power struggle which had rocked the leadership in Aden for the past two months. *They said that* Mr. Rubai Ali was opposed to new plans laid down by Mr. Ismail to turn the National Front into a Marxist organisation to be called the "Vanguard Party." The plans are to be brought before a congress of the Front in Aden next October.

Mr. Rubai Ali wanted the Party to continue to derive ideology from Arab nationalism, while *Mr. Ismail insisted on* "scientific socialism," another phrase for Communism.

Threat to Begin coalition

BY DAVID LENNON

TEL AVIV, June 28.

INTERNAL ELECTIONS being held today by the Democratic Movement for Change (DMC), the second largest party in Israel's ruling coalition, may result in a weakening of Mr. Menahem Begin's Government.

The party, headed by Professor Yigael Yadin, is divided over its continued membership of the Government. Many DMC members want it to withdraw from the coalition because they are unhappy with what they see as its lack of flexibility in the peace negotiations and the occupied territories.

The withdrawal of the DMC's 15 members would leave Mr. Begin with a narrow majority of 62 of the 120 Knesset seats and make him totally dependent on the votes of two religious parties.

Today's elections to the DMC's ruling council are seen as a test for the opponents of participation in the Coalition. About one-third of the outgoing council wanted the party to leave the Government and they are hoping to increase their representation in the new council.

Malawi voting in first general election since independence

BY QUENTIN PEEL IN LILONGWE

Dr. Banda: sober and puritan rule.

A GENERAL ELECTION is a decidedly unfamiliar experience for Malawi's voters. Polling today will mark the first such event in 17 years. It is only the second in Malawi's history and the first since independence in 1964.

Yet one could hardly say that election fever has gripped the country. There is excitement, but that is rather a foretaste of next week's celebration of Malawi's independence anniversary and of the return to the country of His Excellency the Life President, Ngwazi (the Conqueror) Dr. Hastings Kamuzu Banda.

Every main road has been lined with thousands of flag poles flying the national colours. Even the smallest road from the principal city, Blantyre to the new capital Lilongwe can boast half a dozen flags. The same red, black and green festoons all major buildings, schools, factories, shops and hotels. Huge portraits of the President, ubiquitous at ordinary times, have been set into triumphal arches at the entrance to each town.

Something of the festive air has probably rubbed off on the election, which might otherwise have been something of a non-event. For a start it is a one-party election, with only members of the ruling Malawi Congress Party allowed to stand. Moreover, there are contests in only 47 constituencies, and 33 candidates have been declared elected unopposed.

All electioneering is forbidden. Instead, the candidates, two and sometimes three per constituency, are formally introduced to their electors at meetings called by district officials of the party. The voters are urged to choose the men they consider "trustworthy, loyal, polite and hardworking" as their Members of Parliament.

It is all a serious affair, in keeping with the sober and puritan rule of President Banda. Anyone who attempts to win support by buying favours faces certain political extinction. "If anyone gives you money to vote for him, you should report to me, and that person will be finished," the President told a rally last week. Candidates have already been vetted by the President after their names were submitted by district committees of the party.

In previous years, President Banda has allowed only one name to go forward for each constituency and this person was automatically returned to Parliament. This time he has allowed two or three candidates and voting for them. The only real indicator to emerge from the election will be the percentage poll which might be taken as some guide to the enthusiasm of the electorate

The fact that President Banda has allowed an election to take place suggests that he is prepared, albeit with great caution, to pursue a little further the path of liberalisation. He began last year when he released virtually all the country's political detainees, thought to have numbered 2,000. This year he has allowed several foreign journalists, along with other foreign guests, to enter the country for the first time since 1973.

It seems unlikely that internal pressures have brought about these moves. In spite of his *autocratic rule, most observers* here believe that President Banda retains the support of *most of the population*. His regime has produced economic stability and growth all too rare in Africa.

International aid donors have almost fallen over each other to help, delighted by Malawi's careful money management and prompt debt paying. Development projects, too, have generally been on a scale likely to produce real benefits for the local population, and not merely window - dressing prestige

Although President Banda continues to remind his audiences of the dangers of rebellion and subversion, such as occurred immediately after his accession to power at independence, there is no sign of any organised underground resistance.

Diplomats in Lilongwe believe that international opinion has had some effect on the President's actions. Although no western country has actually withheld aid because of human rights considerations, concern has been expressed about the effective suppression of dissent.

President Banda's senior advisers, many of whom are expatriates, have undoubtedly been pushing for some relaxation in international relations and Press relations, if only to publicise better Malawi's economic successes. Moreover, although he *has done nothing to loosen his trade and diplomatic* ties with South Africa, the President does appear to have been attempting to improve his relations with black Africa.

But the effects of one-man rule remain much the same. All government decisions of moment must carry the presidential approval.

EDUCATION IN CHINA

Eliminating illiteracy

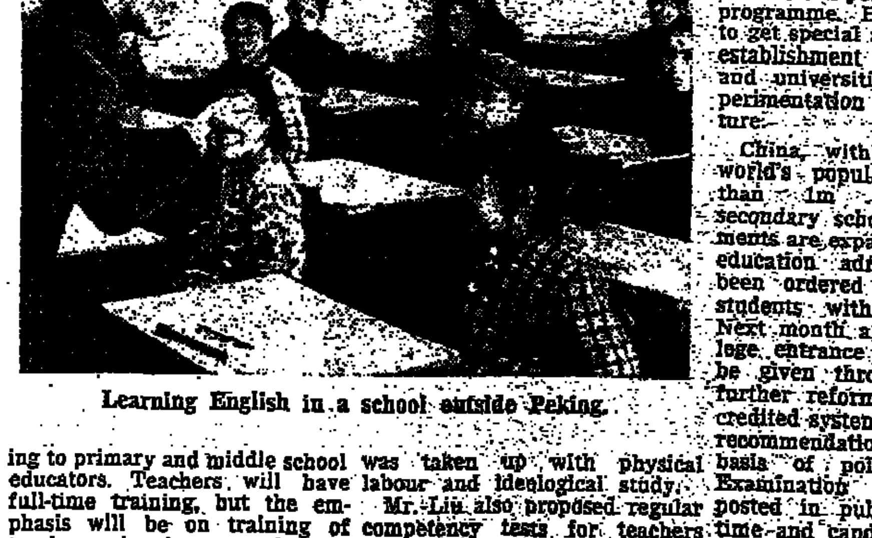
BY JOHN HOFFMAN IN PEKING

THE ELIMINATION of illiteracy over the next eight years is one of the goals in the reconstruction of the Chinese education system. It may be the easiest to achieve. Some 95 per cent of China's 900m people are said to be literate, and universal compulsory schooling, already virtually a fact, is a matter of simple administration in China's closely supervised society.

It will be more difficult to improve the quality of education and resuscitate a system of education almost destroyed during the ten years of Cultural Revolution and the Gang of Four's capricious radicalism. In those tormented times universities were closed, books banned, teachers vilified and students encouraged to turn their backs on learning. Intellect was held in contempt.

Half a generation of Chinese emerged from those years with an inadequate education—and many of them are today's schoolteachers. Retraining is given a high place in a reform programme recently announced in Peking. The Minister of Education, Liu Hsi-yao, said at a national education conference that a teachers' federation would be established to study major education problems.

The Minister also gave details of other specific measures designed to improve the quality of education. Teachers' colleges will be set up as quickly as possible to give advanced training to primary and middle school educators. Teachers will have full-time training, but the emphasis will be on training of teachers already at work with instruction given by experienced teachers and through radio, television and correspondence courses.



Learning English in a school outside Peking.

Teachers with high academic achievements will be given special assistance so they can devote themselves to producing new textbooks and developing new education theories. Teachers will be guaranteed five-sixths of their time for teaching and research, a proportion that, during the Cultural Revolution, was taken up with physical labour and ideological study.

Mr. Liu also proposed regular competency tests for teachers and a system of grading and promotion based on ability. "Teachers with outstanding performance can skip grades irrespective of their academic credentials or seniority," he said. Mr. Liu's statement is an echo of a promise made two months ago by Teng Hsiao-ping, the Vice-Premier, that teachers would be given higher status and higher pay to encourage the effort to improve education.

China has strongly emphasised the rehabilitation of intellect. Educators have been told that their task is to produce a vast army of working class intellectuals equipped to carry out China's 20-year modernisation programme. Higher education is to get special attention, with the establishment of new colleges and universities and more experimentation in course structure.

China, with one-fifth of the world's population, has fewer than 1m students above secondary school level. Enrolments are expanding rapidly and education administrators have been ordered to recruit more students with special talents. Next month a standardised college entrance examination will be given throughout China—a further reform of the old discredited system of enrolment by recommendation, usually on the basis of political suitability. Examination results will be posted in public for the first time and candidates will have the right to inspect their marked papers.

At all levels of education, institutions which record high academic performances will be designated as "key schools" and given priority in the selection of staff and students and the provision of new textbooks and teaching materials. The Minister of Education says that key schools are the backbone of the education system, producing gifted graduates and giving guidance to less expert institutions.

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Henry Ford expects Japan to lose U.S. market share

BY CHARLES SMITH

TOKYO, June 28.

THE U.S. motor industry expects soon to be building cars that are "significantly more competitive" with Japanese cars, the chairman of Ford Motor Company, Mr. Henry Ford II was quoted as saying in Tokyo today.

In a Press conference open only to certain members of the *Japanese Press*, Mr. Ford said the prices of Japanese cars sold in the U.S. had "risen radically" in the past nine months as a result of yen revaluation. Meanwhile the U.S. industry was reducing the size of its cars. The result, said Mr. Ford, would be to lower Japan's share of the U.S. car market from its peak level of 20 per cent to something less than 16 per cent in future.

Despite his confident forecast Mr Ford warned Japanese motor manufacturers against exporting too rapidly and against embarking on production increases that were not related to the growth of Japan's own domestic market. He also called for better access for car imports into Japan referring specifically to the commodity tax (which penalises large cars) and to Japanese type certification procedures, which Mr. Ford said should be simplified and shortened.

Mr. Ford said his company was not currently interested in acquiring a capital stake in Toyo Kogyo (the number three Japanese car manufacturer with which Ford has ties) because Toyo Kogyo's stock was "overpriced" on the Tokyo Stock Market. Ford would remain uninterested in a capital tie-up with Toyo Kogyo for at least the next year, Mr. Ford said.

However production and sales links between the two companies would continue to grow following an agreement on the manufacture of "manual transaxles" by Toyo Kogyo for a projected new Ford small sized passenger car. Before the transaxle agreement was signed (during Mr. Ford's visit) Toyo Kogyo had been manufacturing "Courier" pick-up trucks which are distributed by Ford in North American markets.

Mr. Ford is visiting Taiwan before returning to the U.S. and spent three days in China last week. He said his visit to Peking has not produced any business but had provided indications of possible future business.

The Ford press conference was held under the auspices of the Keidanren press club, an organisation of industrial correspondents of major Japanese newspapers. A spokesman for Ford Motor Company's Tokyo office told the Financial Times that, for this reason, foreign correspondents could not be invited to attend the press conference.

Ship purchase plan to reduce surplus

BY ROBERT WOOD

TOKYO, June 28.

JAPANESE SHIPPING companies will receive special low-interest loans to buy their chartered ships from their foreign affiliates, officials said here.

The plan is aimed at reducing Japan's current account surplus this year, perhaps by as much as $1bn. The ships will appear in Japan's trade statistics as import, although actually many will continue to be operated on the same routes they had been.

The foreign registration of the vessels was itself a means of avoiding the use of expensive Japanese crewmen. Foreign subsidiaries of Japanese shipping companies, or related foreign shipping companies like Y. K. Pao's world-wide shipping of Hong Kong, ordered the vessels, then they were chartered back to the Japanese shippers under foreign flags.

When the Japanese shippers purchase the ships, they will cease paying the chartering fee to the subsidiary or affiliate abroad and replace much of the crew with Japanese.

Thus the arrangement will not reduce Japan's balance of payments surplus in the long run, and may in fact increase it.

But the purpose of the plan is to reduce the surplus this year, helping the Japanese deal with their current surplus crisis while longer term measures are taking effect.

A shipping company official said the plan has no significant advantages for the companies except for the advantageuos conditions of the proposed loans.

The Export-Import Bank of Japan will lend money at 6 per cent interest. The long-term prime rate in Japan has been 7.1 per cent recently.

Some of the repurchased ships might be scrapped after repurchase, as many Japanese flag-of-convenience vessels are suffering losses and eliminating them would reduce the world shipping glut.

But Export-Import Bank officials were reported reluctant to lend money for ships that will be scrapped. They were also reluctant to finance ships that they had already financed once already. Most flag-of-convenience vessels chartered to Japanese owners were financed by the Export-Import Bank when they were "exported" to their normal foreign owners.

There is no official estimate of how many ships will be purchased under the plan. Japanese shipping companies now charter about 200 ships built to their own specifications and owned abroad.

The arrangement is called "Shikumisen." Press reports say the Government hopes companies will buy as many as 50 of these ships at an expected cost of $20m each.

Cool response to Tokyo import centre

BY ROBERT WOOD

TOKYO, June 28.

ONE OF Japan's first major import promotion ventures is having difficulty even giving its services away.

The Japanese have allocated 2,500 square metres of free space for developed countries to promote their wares in Tokyo's world import market, scheduled to open in October.

But so far only the United States has accepted the offer. The import market is located in Ikebukuro, a neighbourhood about 20 minutes from the centre of Tokyo by subway, known until recently only as the junction of a half-dozen train lines.

The Japanese are trying to *develop it into a major sub-*centre, but European businessmen and diplomats doubt buyers would travel there to see their goods.

The world import market is an 11-storey department-store-like structure owned by a private development consortium. It will include shops, restaurants, a travel centre, an aquarium, and a planetarium. Most of the space will be rented on a private basis, but several floors will be rented to semi-Governmental business promotion organisations.

One of these is the floor for export promotion by developed countries. The floor below is devoted to developing countries, who are generally eager to participate because the Japanese *Government will pay all their* expenses. But developed country exporters must themselves pay all operating costs, and many doubt it is worth it.

many doubt it is worth it.

Diplomats from the UK, France and West Germany said they had passed the Japanese invitation to their respective Chambers of Commerce.

Mr. Bernhard Grossman, executive director of the German Chamber of Commerce and Industry in Japan, said German businessmen who conduct trade fairs in Tokyo fear the centre will attract only consumers.

"They don't want to see families with their babies and never see anyone to whom they can talk," said Mr. Grossman. The *attraction of the centre for pro*motion of consumer goods is limited by restrictions on direct sales to customers there.

Mr. Tairu Nozaki, manager of the semi-governmental organisation through which Japan is trying to give away the space, said the Japanese have issued invitations to 16 developed countries besides the United States.

Mr. Nozaki was hopeful that Sweden, Austria, Australia, Ireland, or Canada might answer favourably within the next few weeks.

The Japanese had originally planned to give the space only for long-term exhibitions, and to require that countries rotate in the space every six months, but *they have eased their terms* considerably.

Quebec to aid paper industry

By Robert Gibbens

MONTREAL, June 28.

THE QUEBEC Government has come up with its promised support package for the province's pulp and paper industry.

Though the industry's fortunes have improved greatly over the past 18 months, with the help of a depreciated Canadian dollar, the Government's programme is aimed at reducing production costs.

The Government estimates that newsprint production costs in Quebec are $52 a ton more than in the southern U.S. on average, though it does not say whether the fall of around 11 per cent in the value of the Canadian dollar has been taken into account.

Quebec mills ship most of their production to the U.S. market and receive U.S. dollars. The Government also estimates that the industry provides exports of about C$1.8bn a year and its activity represents about 10 per cent of gross provincial product.

It estimates about C$1.1bn is needed to modernise existing mills, achieve environmental standards and save energy. There are about 60 mills in Quebec, half of which require urgent capital spending, and this would qualify for between $100m and $175m in Government grants and incentives.

Speed-up of existing machines could add 800,000 tons a year to existing newsprint capacity. The Government proposes to expand the grant and incentive systems and operate an "investment fund" built up from industry taxes and used for investment in "approved projects."

Woodlands operations benefit as well as mills. The Government argues this will trim the difference in costs with the U.S. by C$23 a ton. It will back thermo-pulping as a way of using more locally-produced electricity and less imported oil.

IATA meeting may bring changes for world's airlines

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

MAJOR changes in the way in which the world's big scheduled airlines conduct their affairs—and particularly their attitude to fixing passenger fares and cargo rates—are likely to result from a meeting in Montreal which begins tomorrow and lasts through the week-end.

Called by the International Air Transport Association, which includes more than 100 of the world's biggest airlines among its members, the meeting is expected to sweep away many of the past restrictive practices under which the association has operated.

It is expected to introduce a new two-tier category of membership, and to abolish the old unanimity rule in voting, which should make it easier for the airlines to reach agreement in future on new, innovative fares policies.

The meeting is critical in that a number of major airlines, including British Airways and Pan American, have already indicated that they would be prepared even to quit the association if the changes, which they approve, are not adopted by the rest of the member-airlines.

The U.S. Government, in fact, is understood to be ready to order its flag airlines to quit IATA if the meeting does not approve the radical changes proposed.

The changes have been proposed by a small team of "five wise men," set up by the association last November, which included Mr. Ross Stainton, chief executive of British Airways. They have been approved already by the association's top-level policy-making *Executive* Committee.

Mr. Stainton said recently that while IATA had done much to help develop the world airline industry in the past, "many of us believe it has reached the stage where *it* has either to become a new and different kind of animal, or go the road of the dinsoaur.

"A forward-looking, flexibly organised IATA that can function effectively in a fiercely and increasingly competitive environment, could have a great deal to offer, not only to the industry but to its customers without whom we shall none of us be in a job anyway.

"But if the proposals are turned down by the industry as a whole, then I think IATA as we understand *it* today is in trouble, and I personally would have great difficulty in recommending to my colleagues on the board that we should remain members on the present terms."

Pointing out that BA's "biggest single battle" over the next few years is to get costs down to enable cheap fares to be offered, Mr. Stainton said that the airline "can't afford" to be hobbled by other people who can't or won't keep up with us."

African nations discuss plans for common market

BY JOHN WORRALL

NAIROBI, June 28.

THE PLAN to establish a huge preferential trade area for eastern and southern Africa got a stage further today with a meeting in Addis Ababa of trade ministers of 12 of the nations involved. Countries represented at the meeting are Ethiopia, Kenya, Lesotho, Botswana, Madagascar, Mauritius, Mozambique, Swaziland, Tanzania, Uganda, Zambia and Malawi.

The ministers are to work out details of the plan, which is seen as a form of common market without duty or reduced duties on goods originating from member countries. The meeting is a follow up of the ministerial meeting, held earlier this year in Zambia, which signed an *agreement of intent and commit*ment to establish a preferential trade area.

The plan is being sponsored by the Economic Commission for Africa, in Addis Ababa, which has sent missions to all the countries involved to discuss guidelines for negotiating what many people optimistically see as a new "community of African states."

*The last attempt to create a regional African common mar*ket, the East African Community, comprising Kenya, Tanzania and Uganda was abandoned last year with considerable ill will after 10 years of mostly successful operation.

Soviet trade with LDCs rises to record level

NEW YORK, June 28.

SOVIET trade with the world's less-developed nations reached a record $12.2bn last year, giving the Soviet Union both a hard-currency trade surplus and increased access to valuable raw materials, such as oil, iron ore and phosphates.

This trade represents the fastest-growing sector of Soviet commerce. It represents about 14 per cent of the Soviet total, compared with 29 per cent with Western nations and 57 per cent with other Communist countries, mostly those of Eastern Europe.

According to a new study by the Central Intelligence Agency, business with the less-developed lands last year gave Moscow a $1.2bn hard-currency surplus, due mostly to sale of weapons—particularly in the Middle East—for cash. This was up from an $800m hard-currency surplus in 1976.

Overall, the Soviet trade surplus is even larger. The CIA study says 1977 Soviet exports totalled $7.9bn, while imports were only $4.3bn. Much of this exchange was through barter arrangements, but the agency says Moscow is clearly moving towards less complex hard-currency deals that give the Soviet Union cash to spend in the West for finished products.

AP-DJ

Boycott Office change

BY ANTHONY McDERMOTT

MR. MOHAMMED MAHGOUB, the Commissioner-General of the Arab Boycott of Israel Office since it was set up with its headquarters in Damascus in 1948 has been succeeded by his deputy, Mr. Sayid Barki.

The new appointment, announced recently, is not expected to indicate any change in policy towards the use of this economic weapon in the *Arabs' conflict with Israel.*

Mr. Mahgoub had had his appointment extended twice by two years after reaching retirement age. Mr. Barki was appointed his deputy some five years ago. Previously he had been director of the finance department of the Arab League.

It is of note, however, that both Mr. Mahgoub and Mr. Barki are Egyptians, and that Egypt is currently at odds with the Boycott central office over negotia*tions with two blacklisted com*panies, Ford and Coca Cola.

Contracts for Sweden

BY JOHN WALKER

STOCKHOLM, June 28.

THREE DEVELOPING nations, Iraq, Tunis and Liberia have placed orders with Swedish industry valued at a total of Kr 480m (about £60m). Iraq has placed an order with Granges Aluminium for aluminium sheet valued at Kr 50m. The material will be used in the construction of 400 large chicken houses which will call for investment as for the whole project amounting to Kr 500m.

Skanska Cementguteriet, Europe's largest public works contractor, is to supply control equipment for a large irrigation scheme. The value of the Skanska contract is said to be Kr 380m and work will commence in July, for completion by the end of August, 1982.

Gotaverkan Motor has received an order valued at Kr 50m from Liberia. The order is for the supply of two large diesel engines for driving two generators which will be connected to the national grid.

Finnish ship orders transferred

BY LANCE KEYWORTH

HELSINKI, June 28.

THE LEADING shipbuilding company in Finland, Oy Wartsila, has now transferred the contracts for two 75,000 cubic metre liquid petroleum gas (LPG) vessels to the Norwegian company Sig Bergesen K.Y. They are due for delivery towards the end of 1978 and the middle of 1979.

Originally, these ships were ordered by Fearnley and Eager of Norway in 1974 which subsequently got into financial difficulties. Of the five LPG tankers in the original order, one will be delivered to a Japanese company and two have not been started yet.

Finnish shipbuilding yards have been hit later than others by the world shipbuilding crisis because of their specialisation and the big and repeated orders they received from the Soviet Union. However, few new orders can be expected from that quarter until the new five-year trade agreement begins in 1981.

Hence, the yards have been looking at the home market. A striking example is the SF Line in the Aland Islands (an autonomous province of Finland).

SF, better known as the Viking Line, invited tenders for a new passenger-car ferry. Japan underbid the Finnish shipbuilders, which caused an outcry from the unions and other interested groups, because of increasing unemployment in Finland.

Finally the Government stepped in with the offer of a subsidy of FM 17m (about £2m at the current exchange rate), and Wartsila got the orders.

This is the first time that the State has paid a direct subsidy to the shipbuilding branch which claims to be the only shipbuilding industry in the world without direct State support.

Tug captain denies Amoco Cadiz threats

BY LYNTON McLAIN

THE ARGUMENT over threats to abandon the Amoco Cadiz off the rocks in Brittany in March revived yesterday when a German tug captain attacked the captain of the supertanker.

Captain Hartmut Weinert, of the rescue tug Pacific, said that accusations by Captain Pasquale Bardari were incorrect, unfounded and not borne out by a minute-by-minute engine-room and bridge records kept by the tug.

The Cadiz captain, he said, had made sweeping allegations against the tug master and the motives of his company, Bugsier of Hamburg, at an earlier hearing of the Liberian court of inquiry sitting in London.

Captain Bardari's allegations had been supported earlier by Mr. L. Maynard, a safety adviser from P and O Marine Services Division.

He said that the tug captain had threatened to drop two tow lines unless a Lloyds open form salvage contract was accepted by Captain Bardari.

This was denied strenuously yesterday when the tug captain said that in passing a rescue line to the Cadiz before agreement had been reached on the salvage contract he had gone further than his company rules permitted. The line later broke in heavy seas.

Earlier the Cadiz captain and other witnesses from the ship had said they were under the impression that after the first turn of the tanker bow the tug had stopped pulling.

Captain Weinert denied this, saying he applied 80 per cent of the tug engine power. He said he had warned the Italian captain in English 3½ hours after sighting the ship that it was in danger.

He said his message was: "Captain, you are in a very bad position. You have a very big ship, the weather condition is bad. We must have a Lloyds salvage contract."

According to the tug captain, Captain Bardari repeatedly replied: "No."

This prompted Captain Weinert to send a 22-word telegram to the local Brest radio. A reply called for the Cadiz captain to accept a Lloyds no-cure, no-pay contract. The Lloyds salvage was finally accepted by Captain Bardari four hours after the tug first sighted the crippled vessel.

A second attempt was made to get a line to the stern of the Cadiz. The tug captain said there was "difficulty in getting the line aboard the tanker. It was clear that the Amoco Cadiz could not find the line."

Ten minutes later, the 263,000-tonne Amoco Cadiz crashed on the rocks.

Captain Weinert said throughout the hearing yesterday that the Cadiz captain had refused to give him the position of the crippled rudder, which eventually caused the ship to founder.

Ship steering gear changes proposed

BY CHRISTOPHER DUNN

BRITISH SHIPBUILDERS is reviewing the steering systems used in its ships, Mr. George Snaith, research director of the State-owned corporation said yesterday.

He was speaking to an all-party committee of MPs looking into ways of preventing tanker collisions around Britain.

The review had been prompted by the recent Amoco Cadiz disaster off the French coast.

The corporation later said that the work would be done in conjunction with leading UK steering gear manufacturers, including K and L, a British Shipbuilders' subsidiary based in Sunderland.

Manufacturers welcomed the move since most of them had already started an internal review of their own manufacturing methods.

Two leading steering gear manufacturers, Brown Brothers and John Hastie, part of Vickers, said in a statement last night that they were about to submit proposals for safer steering systems to the Department of Trade, and probably the International Marine Council, after talks with Whitehall.

"The proposal is to consider modifications which would be required to improve the safety of steering systems under certain failure conditions, similar to the Amoco Cadiz situation," the two companies said.

Groceries go metric

BY OUR CONSUMER AFFAIRS CORRESPONDENT

THE long-delayed plan to replace imperial measures with the metric sysetm took another small step forward yesterday when the Government published proposals for phasing out imperial packs in two sectors of the grocery trade.

Both orders deal with products which can only be sold in quantities prescribed by the Government. The first will allow manufacturers to sell instant coffee in metric sizes, as well as imperial ones, from July 1, 1979. At present only imperial sizes are prescribed.

The second lays down cut-off dates for the use of imperial sizes on certain pre-packed grocery products which at the moment can be sold in either metric or imperial packs. Under the draft order published yesterday, pasta, flour and flour products would have to be sold in metric sizes from the end of August, and dried fruits and vegetables would have to go metric by the end of December.

Fire damage costs rise this year

By John Moore

ESTIMATED FIRE damage costs in May show that the sharp upward trend in the April figures of 47 per cent has slowed considerabley, the British Insurance Association reported yesterday. The May estimate of £22.4m was only a 13.7 per cent increase on the previous month.

Even so, fire damage figures for the first five months of this year at £120.8m are still 28 per cent ahead of those for the corresponding period last year. This year's fire damage costs have been influenced by the firemen's strike which lasted until January 16.

The latest figures have been adversely influenced too by two large fires, one at a supermarket and office block in North-West England costing £2.1m, and another at a hardboard manufacturers in the South-East costing £1m. There were 12 other fires where in each case estimated damage was more than £250,000.

There were 27 large fires estimated to have cost over £35,000 in public places such as cinemas, schools, shops, social clubs and theatres.

Fellowship for Margaret Reid

MARGARET REID of the Financial Times has been elected to a one-year journalist research fellowship at Nuffield College, Oxford. Mis Reid joined the FT in October, 1973, having been previously deputy City editor of the Birmingham Post.

Impressionists fetch £2.7m in Sotheby's auction

SALEROOM

BY ANTONY THORNCROFT

The £250,000 Courbet.

WHEN THE final session of the von Hirsch series of auctions ended at Sotheby's on Tuesday night with a grand total of almost £18.5m, the audience, packed into the numerous small salerooms, clapped wildly. Yesterday, things were back to normal.

Sotheby's held an important auction of Impressionist and modern paintings but prices were in line with forecasts. It seems that a work of art which had belonged to von Hirsch commanded a premium.

Even so, the morning session did well, totalling £2,737,300 with 22 per cent bought in, not a bad unsold figure for this sector, although significantly higher than in the von Hirsch Impressionist sales.

Top price was the £250,000, plus the 10 per cent buyer's premium, paid for a Courbet portrait of 1856. It was *Demoiselle des Bords de la Seine*, and an auction record for the artist, beating the £112,676 paid in New York last October.

Japanese buyers largely outbid at the von Hirsch sale, were more successful on Wednesday.

Okada acquired a Monet, *Le Bassin d'Argenteuil au Coucher du Soleil*, for £145,000, while Umeda gave £130,000 for another Monet, *Nympheas*. The London dealer Y. Tan Bunzl secured a Toulouse-Lautrec, *Lucien Guitry et Jeanne Granier*, for £120,000.

Other top prices were the £100,000 from a private German collector for Renoir's *La Plage à Pornic*, and £95,000 from a French private buyer for yet another Monet, *Bordighera, la Maison du Jardinier*. Hahn, the New York dealer, bought *Le Moulin Rouge* by Utrillo for £86,000.

The main disappointments were a Picasso (a doubtful market these days) *Tete de Fernande*, a gouache of 1906 which was bought in at a high £165,000, and a Braque *Nature morte à la Guitare*, unsold at £52,000.

The sale suggested that the demand for Impressionist pictures is improving, but that von Hirsch prices were not true indicators.

On Monday night, a record price of £300,000 was paid for a Cézanne watercolour, *Nature morte au Melon Verte*, while a Van Gogh watercolour *Mas à Saintes-Maries* also set a record of £205,000.

Prices consistently beat their forecasts, mainly because the von Hirsch Impressionists were "fresh" to the market, but also because he had an eye for particularly pretty and intimate pictures.

In the afternoon session devoted to Impressionist and Modern drawings and watercolours, which totalled £619,860, a watercolour by Picasso, *Le Marchand de Gui*, sold for £63,000. Another Picasso, *Tête d'Homme*, went for £48,000 to Waddington and Tooth.

Danseuses, by Dégas, realised £29,000 and a private South African collector paid £26,000 for *Villa in Tal* by Paul Klee.

At Sotheby's auction of photographs, set of 67 of the Crimean War by Roger Fenton, sold for £11,000 and another set of 67 for £4,000. Twenty views of the Middle East, taken by Francis Frith in 1858, sold for £6,500.

Christie's South Kensington on Tuesday night secured an auction record for a paper photograph when a *Nubian Model Reclining*, by Fenton, sold for £5,400.

Prints by Hans Sebald Beham, collected by the cataloguer and collector Gordon Nowell-Usticke, realised £62,675 at Christie's yesterday.

Both Beham and his younger brother Barthel became known as "Little Masters," because of the small dimensions of most of their output. The chief mentor was Dürer.

Many of the 148 lots were little bigger than postage stamps

Boerner, the German dealer, paid £3,200 for a print of two street players and a girl. A set of 12 engravings of the *Labours of Hercules* went to an anonymous purchaser at £2,800, while Varnholt, another German dealer, paid £2,600 for a set of 10 engravings of *The Peasants' Feast*, or *The Twelve Months*.

'Funds needed to keep art works'

THE COUNTRY'S art galleries and museums need more funds if the drain of works of art out of the UK is to be halted, says the Reviewing Committee on the Export of Works of Art in its annual report, published yesterday.

The committee has the power to withhold export licences for valuable works of art if it considers it is in the national interest that they stay in the country.

The report says that there is agreement that the job the committee is doing is "reasonably effective" in protecting the highly selective group of works of real importance to the national heritage. "Nevertheless, not only have there been losses of irreplaceable works of the highest quality, but the underlying trend is worrying, and there is no room for complacency." The committee has recently withheld licences on two Canaletto paintings of Warwick Castle to give Birmingham Museum and Art Gallery the chance of buying them for £550,000.

Move likely today on State industry chiefs' salaries

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

THE CABINET is expected today to consider whether to phase over two or perhaps three years pay rises of more than 70 per cent recommended for chairmen and Board members of nationalised industries.

Minister first considered the rises proposed by the Boyle Review Body on Top Salaries, last Thursday. As a result it seems clear that there is little or no chance of more than the present 10 per cent pay increase limit being paid immediately.

The Government is torn between worries about the impact that large rises would have on their plans for a further phase of pay policy and an awareness that the nationalised industry people concerned have not had a major salary review for several years.

Some Ministers, including Mr. Michael Foot, Leader of the Commons, are thought to believe that working in the State sector should be regarded as vocational public service for which high salaries are not needed. Union leaders have also opposed large rises.

The Boyle Report proposes that payment to chairmen of major nationalised industries such as gas, electricity, coal, railways and airways should go up from their present salaries of just over £23,000 a year to £40,000, an increase of more than 70 per cent.

Larger rises of up to 80-90 per cent are proposed for the chairmen of the National Enterprise Board and the British National Oil Corporation, whose new rate, it says, should be £60,000-£65,000.

Smaller rises are proposed for other top public servants such as senior armed forces officers, judges, and civil servants, who had a major increase in 1974 when those in the nationalised industries received nothing.

The report was sent to the Prime Minister three weeks ago, and is likely to be published after the Cabinet has decided what to do with its proposals.

The most popular idea being canvassed is that those involved be given a total of 10 per cent to cover the present round of pay policy, and that the rest be phased over two or three years.

For those in the nationalised industries this would involve an immediate, relatively small, topping-up rise, since they received between 5 and 10 per cent at Christmas.

Broking firm against demand-led economic growth

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

ACHIEVEMENT of sustainable economic growth depends on control of the money supply and on the introduction of a wide-ranging package of measures to improve supply of the economic system, says W. Greenwell and Co., stockbrokers.

The brokers put forward an alternative strategy for the UK economy. They say that Keynes was right to argue for policies to prevent a deficiency in demand, but neo-Keynesians have been wrong to argue in recent years for demand-led economic growth on the grounds that it cannot be sustainable.

The firm say control of the mney supply is the harsh and negative part of the correct solution although it stresses that inadequate or excessive monetary growth should be prevented.

The brokers propose in a special monetary bulletin a series of macro-economic measures intended to influence the supply side in order to improve the efficiency of allocation of resources, in particular industrial efficiency, and to reduce the natural level of unemployment.

They suggest that this positive side of the solution should involve removal of artificial restraints on trade, including the dismantling of international barriers such as tariff controls.

The bulletin argues that an "all-out war" should be declared on high taxes, monopolies, restrictive practices and bureaucratic constraints which are the domestic counterpart of import controls and tariffs.

It also suggests that taxes should be reduced and maintains that this need not conflict with the objective of controlling the money supply.

This is because a reduction in very high tax rates may boost revenue and this move should, anyway, be accompanied by substantial cuts in public spending.

Top economists give gloomy forecast

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

THE MOST pessimistic analysis so far of the medium-term prospects for the UK economy is published this morning by a group of leading Cambridge economists.

This view has been presented at a two-day conference by economists from the Cambridge Growth Project at the university's Department of Applied Economics.

They are working under the direction of Professor Sir Richard Stone and Dr. Terence Barker, and the team is separate from the economists working with Mr. Wynne Godley.

The group warns that even substantial reflationary action such as a cut in the standard rate of income tax to 20 per cent (from the present 34 per cent) or the abolition of Value Added Tax would leave unemployment at 2.7m by 1985 and would not prevent the virtual collapse of the vehicle and electrical engineering industries.

However, "the performance of industries such as vehicles would remain poor, strengthening the argument for specific industrial policies.

"The cost of devaluation would be that real consumption growth would have to be held back to 2 per cent a year, frustrating the expectations raised by the development of North Sea oil."

The projections are based on a new economic model which builds up a picture of the economy from the accounts of 40 individual industries. This sectoral approach differs from the more familiar short-term forecasts which concentrate on the overall prospects.

If present policies are retained with no increase in public spending or real value of taxes and benefits, then, with the help of North Sea oil, Britain would develop trade surpluses rising from £2bn a year in the late 1970s to nearly £7bn a year by 1985.

But there would also be a loss of more than 1m jobs in primary and manufacturing industries, only partially offset by 500,000 new jobs elsewhere so that unemployment would be over 3m.

The Growth Project also considers the impact of massive reflation and says this can only solve part of Britain's economic problems.

It claims that even the most effective package would leave a 9.7 per cent annual decline in the motor vehicle industry between now and 1985, with a 2.3 per cent annual decline in electrical engineering and a 3.3 per cent yearly drop in the iron and steel sector. Chemicals would grow by 2.7 per cent a year.

Another conference on Britain's industrial problems has also been under way and ended last night in London. Organised by the National Institute of Economic and Social Research, the conference discussed 10 papers on the causes and possible solutions for the UK's industrial decline.

An introductory paper by two of the institute's economists suggested that there was no evidence to support the view that the UK manufacturing sector had priced itself out of world markets, but it noted the evidence showing structural weaknesses in UK manufacturing.

World energy demand increases by 3.5 per cent

BY RAY DAFTER, ENERGY CORRESPONDENT

WORLD ENERGY demand increased by 3.5 per cent last year, with only the nuclear power industry increasing its share of energy production, British Petroleum reports.

Nuclear production rose from the equivalent of 102.2m tonnes of oil in 1976 to 126.5m tonnes last year. Even then, nuclear power output accounted for less than 2 per cent of world energy supplies, measured at almost 6.7bn tonnes.

BP's latest Statistical Review* shows that world oil consumption last year increased by just over 3 per cent to almost 3bn tonnes, although most of this increase was in the Soviet Union, Eastern Europe, China and the U.S. (the world's largest oil consumer). In the rest of the world, the increase was less than 1 per cent up on 1976 levels.

Western European oil consumption declined by 1.9 per cent, not only as a result of the continuing low economic growth but also because of the 23 per cent increase in hydro-electricity generation, which had been depressed in 1976 because of drought conditions.

* *BP Statistical Review of the World Oil Industry 1977; British Petroleum, Britannic House, Moor Lane, London EC2Y 9BU.*

Trustee Bank bid to woo students

BY MICHAEL BLANDEN

IN AN aggressive move to attract new customers among the student population, the Trustee Savings Banks are offering a package of cheap banking terms.

The move announced today is part of the development of the Trustee Savings Banks towards becoming full commercial banks. It takes them into an area in which the big clearing banks have long offered competitive terms as a marketing effort to attract customers when they are young.

The banks said that the new terms were designed "to challenge the dominance of the student banking sector by the other main High Street banks." The new Trustee student account includes four main aspects.

First, it offers free banking provided the account is kept in credit, in contrast with the £50 minimum balance which other personal customers are required to maintain in order to qualify for free banking

Second, a temporary overdraft facility is available in certain circumstances for those aged over 18 and the free banking concession — apart from overdraft interest — will still apply where the overdraft does not exceed £50.

Cheque card

Third, students will be offered a £50 cheque guarantee card, subject to the branch manager's discretion, or alternatively a facility to withdraw cash at another bank branch of the student's choice.

Finally, the Trustee Banks are offering a guarantee of a further year's free banking after leaving university or college, provided the account has been operated satisfactorily.

The Trustee Bank's are expected shortly to extend their marketing to the younger potential customer by introducing a further package for school leavers.

OBITUARY

Harold Bell

MR. HAROLD A. BELL, chairman of the Gateway Building Society, has died at his home in Chiddingfold, Surrey.

Mr. Bell had been chairman of Gateway since July 1974, when the society was formed as the result of a merger between the Temperance Permanent Building Society and the Bedfordshire Building Society.

He was appointed vice-chairman of the Temperance Permanent Building Society in 1962 and became chairman on January 1, 1974.

He was a vice-president of the Metropolitan Association of Building Societies, and a solicitor with a practice in Ewell, Surrey and Honiton, Devon.

University doubt on expanding higher education

BY MICHAEL DIXON, EDUCATION CORRESPONDENT

THE GOVERNMENT'S plan to commit £240m a year to further expansion of higher education over the next decade is challenged today in a report by the Conference of University Administrators.

The report on a two-year study gives statistics disputing the Government's forecast that student demand will rise to about 600,000 places—compared with 560,000 planned in universities and polytechnics for 1981—before falling sharply from 1994 through reduced birth rates.

In February the Department of Education and Science put forward five possible strategies for coping with the "hump" in demand.

But last month Mr. Gordon Oakes, Minister of State for Education, indicated that the Department favoured one particular strategy.

This was to raise the estimated 1981 expenditure of about £1.5bn on universities and polytechnics by about £240m annually and provide permanent capacity for 600,000 full-time and sandwich-course students.

When the entry of 18-year-olds—about 70 per cent of whom come from middle-class backgrounds—began to fall from 1994 the excess capacity would be filled by encouraging more older and, where possible, working-class students.

The Conference of University Administrators points out, however, that the forecast demand of 600,000 depends on the proportion of the nation's 18-year-olds entering higher education increasing from 13½ per cent at present to 18 per cent.

The Department admitted that unless this "participation rate" increased beyond 15 per cent, the 560,000 places already planned would probably accommodate the "hump."

But the administrators' study suggests that even the 15 per cent rate is "probably an optimistic figure."

The report adds that most other industrialised countries are sharing the planning problem of a "hump" in the number of teenagers coupled with static rates of demand for higher education.

Options

Only in Germany is the demand rate still rising. But it seems Germany plans to cope with it not by providing extra permanent student places, but by furnishing temporary facilities for the peak numbers. This was one of the options originally stated by the department but evidently now discarded by Ministers.

Calling for further "sustained" public discussion on whether extra expansion is needed in Britain, the university administrators warn that there are "no short-cuts" to boosting the historically low entry of working-class people into higher education.

"The only solution is to improve substantially the education service as a whole, starting with free nursery education," the report states.

Final Report on Forecasting and University Expansion. Conference of University Administrators; The Registry, University of East Anglia, Norwich. £1.50.

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Graduate parents 'defy principles in schooling'

BY OUR EDUCATION CORRESPONDENT

PRIVATE PREPARATORY schooling is chosen by many parents in the "emergent middle classes" (characterised by fathers with university degrees and mothers who go out to work) in defiance of their principles, according to a survey report published by the magazine New Society today.

A study by two sociologists at the Central London Polytechnic found that at least two-fifths of "emergent" parents with children at prep schools would prefer to have sent them to state primary schools if those placed stronger emphasis on formal teaching and academic achievement.

By contrast, only 2 per cent of the survey's sample of parents in more traditional upper-class occupations, such as "the City," agriculture, and the Army, had ever considered sending their sons to state schools.

Lancia raises Beta prices 5%

LANCIA is to increase the prices of its Beta range by 5 per cent from July 4, except for the Monte Carlo. Prices of the recently launched Gamma range are unchanged.

Finance Bill concessions head off confrontation

BY DAVID FREUD

THE GOVERNMENT has made a string of concessions on the Finance Bill at the Committee Stage, which ended in the early hours of yesterday morning.

The changes come on top of the major Tory amendments on tax levels passed in the committee of the whole House in early May and after the proposed rise in the National Insurance surcharge

When the Finance Bill come before the House for final approval, probably next month, it will be quite different from its original appearance.

However, there were no outright defeats for the Government on the Committee Stage, unlike previous years when Labour defections had an impact. This year the Government was swift to head off potential confrontation by making concessions.

The most recent of these were an extension of the time-limit for a reduced rate of development land tax and a Capital Gains Tax concession for those living in tied cottages who are also home owners. The Government also announced that disabled drivers eligible for the mobility allowance will not have to pay the £50 road tax.

Also in the most recent session, the committee approved the Government's new clause to double the threshold before tax is payable on redundancy payments to £10,000.

Mr. Joel Barnett, Chief Secretary to the Treasury, emphasised that this meant that, because of the way the redundancy tax provisions worked, a married man who earned no other income would not have to pay tax until the payment exceeded £19,000.

The Government introduced the amendment so that workers made redundant from groups such as British Steel, British Leyland and Swan Hunter, would not be taxed on their large redundancy payments.

The reason tax does not take effect until a much higher level is because the "top-slicing" provisions assess the whole additional payment above the threshold at the tax rate into which the first sixth falls. If a worker is not earning anything further in the same tax year his tax-free allowance could cover up to £9,000 on this basis.

There have been several concessions over Capital Gains Tax. Mr. Barnett said he would take steps to give trusts the same exemption on tax gains up to £1,000 a year already awarded to individuals in the Finance Bill.

The Government also held out the prospect of relief from CGT for irrecoverable losses on loans to traders made after April 11, 1978 and guaranteed payments in respect of such loans.

Other changes will affect closed companies. Mr. Barnett said a less restrictive definition of a family company will be written into the Bill at the Report Stage.

The change will reduce the voting rights in a company an individual has to control before it can be defined as a family company from 10 to 5 per cent, and the voting rights of his family from 75 to 51 per cent.

The Government also agreed to a Conservative amendment bringing the self-employed into line with employed people when they spend time working abroad.

The Finance Bill proposed that those self-employed who spent a qualifying period of at least 60 days abroad could, for tax purposes, deduct 25 per cent of their profits for the days spent abroad. The amendment brings the qualifying period down to 30 days, the same period granted to employees in the 1977 Finance Act.

Caledonian suggests link with Concorde

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

BRITISH CALEDONIAN Airways, the "second force" independent flag airline, offered yesterday to join British Airways in providing Concorde services *between London and* Dallas/Fort Worth in Texas this year.

Both airlines are competing for the rights to fly the route. British Caledonian already operates from Gatwick to Houston, and is claiming the Dallas/Fort Worth route because it would complement the existing Texas service.

British Airways has said it would be prepared to fly it initially with a Concorde sub*sonically between* Washington and Dallas/Fort Worth, thereby extending the existing supersonic Concorde service between London (Heathrow) and Washington. Eventually, it would offer a daily TriStar service non-stop from London to Dallas/Fort Worth.

British Caledonian told a public hearing before the Civil Aviation Authority in London yesterday that its plan for a joint Concorde operation could provide a way out of a possible dilemma for the authority, if the question of Concorde flights became crucial to the licence decision.

Mr. Adam Thomson, British Caledonian chairman, said: "We are discussing the joint operation of Concorde in other areas of the world and we feel that an all-British service between Texas and the UK could take preference over any other proposal."

British Airways, however, already has a leasing deal with Braniff International of the U.S., which also intends to fly Concorde subsonically between Washington and Dallas/Fort Worth, with approval in principle already given by the U.S. Civil Aeronautics Board.

It is understood that this agreement precludes participation by a third party, so that it seems unlikely that the British Caledonian plan can become effective, at least under present arrangements.

● Mr. Brock Adams, U.S. Transportation Secretary, has predicted that only a handful of U.S. cities will be prepared to take Concorde services, apart from New York and Washington—including Philadelphia, Dallas, Fort Worth.

He was commenting on new rules, effective July 31, aimed at controlling supersonic operations in the U.S. These set noise standards, prohibit sonic booms over the U.S. land mass, and put curfews on night operations by supersonic airliners.

The new rules exempt the 16 Concordes *built so far from the* regulations applied to other jet aircraft, but they must not be modified in any way to increase their noise levels.

Moreover all 16 aircraft must have logged "flight time" in passenger service by January 1, 1980, to qualify for this exemption.

Birmingham £30m inner-city scheme approved

BY ARTHUR SMITH, MIDLANDS CORRESPONDENT

BIRMINGHAM has approved a 30m three-year programme for its inner-city area, Mr. Reg Freeson, Housing Minister, announced yesterday.

Mr. Freeson is chairman of the partnership committee set up to co-ordinate the efforts of Government departments and local and regional authorities in urban aid. Birmingham is the first of the seven partnership areas to have approved a programme.

The city has approval to spend £10m in each of the three financial years beginning next April. Projects will qualify for at least 75 per cent Government grant.

The money is to supplement programmes under way and enable public bodies better to co-ordinate policies for regenerating the central area.

In the five years to 1976, population in Birmingham's inner area declined by more than 11 per cent, to 291,800, and about 52,500 jobs were lost. In the vehicles industry, the workforce fell by nearly 30 per cent.

Key areas

Mr. Freeson said the agreed programme would provide guidance in which industry, commerce, voluntary bodies and community groups could best tie in their efforts with those of central and local government.

Initial efforts would be concentrated upon a few key areas. Handsworth and Sparkbrook, *with their acute social difficulties*, would get attention. Industry would be encouraged at Deritend, Duddeston, Saltley and Sparkbrook.

There are also hopes that with only a modest injection of public funds the Small Heath district might start a sustained programme of economic regeneration.

Under the partnership agreement, the City Council and West Midlands County Council have adjusted policies towards the common aim.

The county council has changed its five-year transport plan to give greater priority to two evpensive road schemes that will open up areas for redevelopment. Government support is sought for funds to enable the eastern section of the middle ring road and the Small Heath by-pass to go ahead as soon as possible.

Birmingham Chamber of Commerce is supplying information to the partnership committee about the needs and aspirations of local industrialists.

Work is in progress on schemes worth £11m in the current financial year, under the Chancellor *of the Exchequer's* £100m allocation to aid the construction industry. The largest project is for 35,000 sq ft of small industrial units and 550 rarparking spaces.

The inner-city programme marks only a tentative beginning to what is recognised as a daunting task. Further study and detailed work is required upon what is envisaged as a 10-year programme to prevent industry from drifting out of Britain's second city.

CHANGES IN EMPLOYMENT IN BIRMINGHAM AREA 1971-76

	Change in population 1971-76 Number	%
Vehicles	−14.962	−28.9
Metal manufacture and metal goods industries	−16,545	−19.8
Mechanical and electrical engineering	−11,962	−22.3
All manufacturing	−53.293	−22.3
Construction	− 3,982	−14.1
Services	+ 5.011	+ 2.1
Agriculture, mining, etc.	− 209	−69.0
Total, all industries	−52.473	−10.4

Source: Department of Employment

Compulsory purchase powers sought by Highland Board

BY JOHN LLOYD IN INVERNESS

EXTENSIVE NEW powers, including the right to force landowners to sell their land and to nominate tenants, were proposed yesterday by the Highlands and Islands Development Board.

The powers are being sought by the Board because it believes that extensive areas in the Scottish Highlands and Islands are being deliberately neglected by their owners, so having a *depressing effect on employment* and income in some communities. The powers given to the Board when it was founded in 1965 have proved insufficient.

The Board's proposals, published in a consultative document in Inverness yesterday, will be passed on to the Government and it seems certain they will be accepted. Mr. Bruce Millan, the Scottish Secretary, yesterday "warmly welcomed" the pro*posals*.

"Land is a fundamental resource of the area, which should be used to generate as much employment and income as possible," he said.

Not surprisingly, the proposals are likely to meet some opposition from landowners. Mr. Lindsay Hamilton, Highland executive officer of the Scottish Landowners' Federation, said the Federation could accept most of what was being proposed up to the principle of compulsory purchase. This was the crucial instrument of coercion in the Board's plan. Mr. Hamilton said he would want "further discussions" on that principle.

The board's plan is based on local community involvement The board or the local community could put forward a proposal to designate an area for alternative use. The case for designation would have to be approved by 10 per cent. of the community, after which a local advisory council would monitor development plans.

An official hearing would be held if the owner of the land in question required it, before a final plan was drawn up. After a public meeting, the plan would go to the Scottish Secretary.

Sir Kenneth Alexander, chairman of the board, said that he thought that in the course of this procedure most landowners would reach agreement with the plan being proposed.

Ministers stand firm on worker directors

By John Elliott, Industrial Editor

MINISTERS made it clear to the Institute of Directors at a meeting last night that they were not prepared to budge from the principles of legislation on worker directors laid down last month in a White Paper.

The Institute is now to prepare detailed comments on the industrial democracy White Paper.

Lord Erroll, president, and Mr. Jan Hildreth, director general, pinned most of their opposition on the fact that companies could be compelled legally to have trade union-based worker directors.

Dialogue

*They also queried the effective*ness of the White Paper's ideas for a form of two-tier company board structure. Lord Erroll said that such an arrangement could be cumbersome and impede companies which needed to be "quick on their feet."

Mr. Edmund Dell, Trade Secretary, and Mr. Albert Booth, emphasised the voluntary options in the White Paper, and the Institute's representatives agreed to put forward *their detailed* views later in the summer.

Our Labour Staff writes: The TUC nationalised industries committee met chairmen of nationalised industries in London yesterday in what it described as a continuing joint dialogue on proposals contained in the White Paper on industrial democracy.

The TUC said before meeting that the committee was seeking "faster progress" in drawing up jointly gareed plans on industrial democracy by August so as to meet the Government's requirements laid down in the White Paper.

Shortly after publication of last year's Bullock proposals, the union leaders produced a series of their own recommendations. These included a demand for the right to initiate the process of introducing worker directors on to company boards, with union representatives being selected through the joint machinery of recognised unions rather than by ballot.

John Brown plans £10m modernisation

BY JOHN LLOYD

JOHN BROWN ENGINEERING, one of the largest employers in the industrially depressed area of Clydebank, yesterday announced a £10m investment in its plant there.

A leading manufacturer of gas turbines, it is to invest in a programme aimed at replacing older machinery with modern equipment, but it has no immediate plans to increase its workforce.

Last week, the U.S.-owned Singer company announced more than 2,800 redundanies over the next four years.

The John Brown investment programme, spread over several years, is designed to increase efficiency rather than capacity, though Mr. Graham Strachan, group managing director, said yesterday that the company hoped to increase its market share in the long run.

The company's share of the international industrial gas turbine market is about 8 per cent. Major competitors include Hitachi of Japan, AEG of Germany, Fiat of Italy, Brown Boveri of Switzerland and Rolls-Royce and GEC of the UK.

Mr. Strachan said: "The gas turbine business is a highly competitive one and any company seriously engaged in it must be prepared to make a substantial re-investment of its profits in order to keep its plant and machinery up to date."

The bulk of the £10m will be raised from retained profits. Profits in the last financial year (ending last March 31) were £7.5m on a turnover of £71.2m, compared with £2.7m on a turnover of £52.1m in the previous year.

Mr. Strachan said that while output remained the same, there would be no need for extra staff. The company has grown from 1,000 employees at its inception in 1966 to 2,000 today. Around 400 employees had been taken on in the last two years.

£9m orders

Last week it announced orders worth £9m for four gas turbine sets for customers in Holland, Dubai and the UK. It also signed a 10-year manufacturing agreement with the General Electric Company of America, covering its LM2,500 light industrial gas turbine.

The creation of John Brown Engineering was an attempt to move away from a reliance on marine engineering and shipbuilding. In 1968, John Brown Shipbuilders became part of Upper Clyde Shipbuilders, which in turn was liquidated in 1972.

The old John Brown yard was taken over by Marathon, a U.S. company specialising in the construction of oil rigs. The company closed its marine engineering interests in 1970.

Teachers end meetings ban

ABOUT 100,000 teachers, members of the combined National Association of Schoolmasters and Union of Women Teachers, are to resume attendance at out-of-hours functions such as parent-teacher meetings.

The union has called off its ban because 60 of the 104 local education authorities in England and Wales have declared that out-of-hours functions are not part of teachers' contractual duties.

Complaints against gas boards fall 10%

BY SUE CAMERON

COMPLAINTS AGAINST area gas boards have dropped by ten per cent, over the last year, according to the annual report, the National Gas Consumers' Council published yesterday.

The report shows there were 43,700 complaints to regional gas consumers' councils in 1977-78 against 48,600 in 1976-77.

By far the highest number of complaints—33 per cent—were over sales and service standards. The council says British Gas should make more effort to ensure that customers are not inconvenienced.

Sir Mark Henig, deputy chairmain of the council, said yesterday that nothing upset customers more than having to take a day off work to wait at home for a gas man who failed to appear.

"We keep telling British Gas that the problem is one of communication and information," Sir Mark said.

"A fitter may find that a particular job takes longer than expected, but all fitters are in radio contact with their offices.

"Surely, in this modern age, customers can be telephoned and told when a fitter is unable to keep an appointment.

"Most people today are on the phone and most consumers are prepared to be *tolerant*—provided they know the reason for the delay."

The council's report says that slot-meter consumers still tend to pay more for their gas than those who pay quarterly.

Demands for a fairer deal for slot-meter customers will be part of the council's five-point policy.

The council will also call for free appliance checks for all gas users, a more realistic approach to connection charges, no gas price increases until April 1980, and improvements in the code of practice governing disconnection to make it fairer and more effective.

The council fears that some consumers who genuinely cannot afford to pay their gas bills are being disconnected. Two out of every three cases referred to the Department of Health and Social Security as potentially needy are not accepted.

Liability law proposals attacked by doctors

BY DAVID CHURCHILL

BUREAUCRATIC delays for doctors in dealing with patients would occur if the Pearson Commission proposals for increased civil liability are implemented, the Royal College of Physicians said yesterday.

The college, in its comments on the Pearson Commission's report, warns: "Safety first medicine may result in fewer accidents but it will also result in fewer cures, and the balance of advantage is unlikely to be in favour of patients as a whole."

The commission's report, published earlier this year, recommended that producers should be strictly liable for damage or personal injury caused by defective products. But it specifically rejected an attempt to exclude drugs from this recommendation.

The college, however, is concerned about the effect of a change in the law on doctors who use established medical drugs rather than drugs which are on trial. The college argues that it would be necessary for doctors to carry out strict documented precedures to prove that patients have been told of the possible consequences of the drugs.

"In the absence of such procedures doctors will be exposed to all manner of unjust claims by patients, whose self interest may impel them to forget any oral instructions/warnings they may have been given," the college says.

Steelmen reject attack on wage controls

By Christian Tyler, Labour Editor

STEELWORKERS responded to pre-election fever yesterday by committing their industrial and *financial support* for the Labour Party and rejecting a Left-wing-backed assault on wage controls.

The effect of a decision by the Iron and Steel Trades Confederation third annual conference in Scarborough was to put the union among a minority prepared publicly to tolerate another Government-decreed pay norm, provided *there are concessions on pro*ductivity bargaining and a shorter working week.

A resolution from Cambuslang, Scotland, opposing "any further period of pay restrictions" was lost 82-43. The Left took some comfort from the vote, since a similar resolution last year was overwhelmingly defeated.

The need to sustain Labour at all costs was the main argument deployed against the militants. But the conference was also reminded that if it had not been for the 10 per cent pay guideline of the present incomes policy, State steelworkers would have been unlikely to win such an increase from British Steel Corporation.

Confidence

The delegates' vote will strengthen the already high confidence of Ministers that their discussions with the TUC over the next few weeks will produce an unwritten understanding for moderation in pay claims when Phase Three ends on July 31.

The party can also count on a substantial election donation from the confederation's political fund.

Mr. Bill Sirs, general secretary, reinforced Ministers' optimism by saying that while a few union leaders were publicly in favour of further pay planning, more were backing it privately.

Other speakers claimed that to support free collective bargaining would be to play into the hands of Mrs. Margaret Thatcher.

Murray challenge on 'list'

By Our Labour Correspondent

MR. LEN MURRAY, TUC general secretary, yesterday challenged the Economic League to publish any list it might have of trade unionists' political affiliations.

Mr. Murray, commenting on a newspaper report that the league, a free enterprise organisation funded by prominent companies, was providing inquirers with the political and trade union history of job applicants, said: "People who present themselves for jobs should be considered on merit."

The suggestion that people were keeping lists "would be deprecated," Mr. Murray added.

The league's director of research and information was not available for comment yesterday.

New dock labour scheme draft goes to MPs

By Our Labour Correspondent

THE DRAFT of the proposed new dock labour scheme was laid before Parliament yesterday by Mr. Albert Booth, Employment Secretary.

The intention of the new *scheme is that all registered dock workers should be employed by* individual employers and, in a substantial departure from the existing scheme, there is consequently no provision for a temporaily unattached register.

Workers registered under the 1967 scheme will qualify automatically for inclusion on the new register. Others whose jobs will be classified as dock work for the first time would go on an *extension register initially and* be transferred to the main register within two years.

Pay bid shelved as poll aid for Callaghan

BY PHILIP BASSETT, LABOUR STAFF

THE CONFEDERATION of Shipbuilding and Engineering Unions yesterday held back from attacking the Government's incomes policy because of the possible damage it might do to Labour in the forthcoming General Election.

Members of the confederation, which represents 2.5m workers, closed ranks behind Mr. James Callaghan in the face of the threat of a Conservative victory at the widely predicted autumn poll.

The decision will satisfy the Prime Minister, who will speak to the *confederation's conference* in Eastbourne tomorrow.

But the trade union movement's firm aim of achieving a shorter working week was emphasised yesterday by Mr. Hugh Scanlon, outgoing president of the Amalgamated Union of Engineering Workers. He put it at the top of the confederation's shopping list for the next pay round.

The movement against the attack on the Government's incomes policy and for a return to free collective bargaining, was led by Mr. Ken Baker, national officer of the General and Municipal Workers' Union, Britain's third-largest trade union.

He said: "The Tory Party will be delighted for our movement to accept any motion which might be an embarrassment to the Government. If this motion were to be accepted, Mrs. *Thatcher would be delighted.*"

He was backed by Mr. Roy Grantham, general secretary of the Association of Professional, Executive, Clerical and Computer Staff. Mr. Grantham said that a wage free-for-all would be "*a return to chaos*" and would "ruin us all. If this kind of motion were carried by us and the TUC, Mrs. Thatcher would sail home."

Mr. Grenville Hawley, proposing a motion for the Transport and General Workers, said that collective bargaining could and should be used in a socially responsible way. But he was forced to remit his motion on the *insistence of the members*.

However, the confederation backed a claim for the next wage round which called for a planned reduction in the working week to 35 hours without loss of earnings; and a minimum wage rate of £80 per week for craftsmen, with graded percentages for other workers.

It also urged a graded percentage system for apprentices; a minimum of five weeks holiday; consolidation of pay policy supplements into bonus rates; and the restoration of differentials.

The split in the engineering industry between unskilled and skilled workers over differentials was illustrated when the Transport and General Workers Union, which represents most of the unskilled and semi-skilled workers in the industry, abstained from the confederation's otherwise unanimous vote for the claim.

Keep piece-work say helicopter workers

BY NICK GARNETT, LABOUR STAFF

MANUAL WORKERS at Westland Aircraft's Yeovil factory yesterday reaffirmed their opposition to the company's intention of scrapping piece-work.

They also decided almost unanimously to withdraw their labour if the company imposed pay and working conditions that *had not* been agreed by the unions.

Westland, which says that long-standing pay *wrangles* are seriously jeopardising its performance, has written to the workers threatening them with dismissal notices after the failure to negotiate a new wage structure.

Show stewards said yesterday that withdrawal of labour might involve a strike, a sit-in or *simply acceptance of dismissals.* They do not intend action over the warning of dismissals, although the attitude of the workers appears to be hardening.

Mr. Mike Webber, the stewards' convenor, said that the meeting, at which only a handful of workers out of more than 1,500 voted against withdrawing labour, produced a greater majority against the company's proposals than a ballot of workers a month ago.

The company said it had made no further decision on the matter since the *dismissal* warnings, but the stewards are expecting notices to be sent shortly.

Westland believes that abandoning piece-work would help the company out of its difficulties and secure helicopter manufacturing at Yeovil. The union believes the proposal would cause a serious reduction in earnings.

Mr. Bob McCusker, assistant general secretary of the Association of Scientific, Technical and Managerial Staffs, told the Confederation of Shipbuilding and Engineering Unions yesterday that the union would be approaching the Government soon to ensure that financial difficulties at Westland did not bring about the collapse of the company.

The confederation called for the Government to reconsider the need for nationalising the helicopter industry by incorporating it into British Aerospace.

Unions near acceptance of ICI wage offer

BY PAULINE CLARK, LABOUR STAFF

UNIONS representing 55,000 ICI manual workers are moving towards acceptance of a company offer within the Government's *pay guidelines, in spite of* resistance from a section of shift workers.

Mr. John Miller, national secretary for the chemicals industry in the Transport and General Workers Union, confirmed yesterday that indications from report-back meetings so far were in favour of the major part of a 10 per cent deal, although negotiations would continue on the introduction of a 35-hour week.

The union negotiators, who are still waiting for a formal response from craft workers, also hope to win eventual acceptance of a proposal to forgo consolidation of the Phase One £6 supplement for the time being, to maximise the amount of new cash available for all workers.

Most rejections of the present offer are said to come from shift workers who want full consolidation of the last two years' pay supplements.

The ICI shop stewards' combined committee decided this week to launch a programme of selective industrial action over the issue among process workers in three plants in mid-Cheshire and Manchester.

Doctors give warning

BY DAVID CHURCHILL

BRITAIN'S 24,000 family doctors yesterday gave a clear warning to the Government not to delay implementing 18.5 per cent pay *rises which are due to be phased* in over the next two years.

The doctors, at their sectional conference in London yesterday, overwhelmingly passed a resolution warning of possible sanctions if the pay award was not honoured.

The doctors are worried that, as has happened before, a phased pay rise may be blocked by any future rigid pay policy.

The family doctors decided not to support the junior hospital doctors in seeking separate pay negotiations with the Department of Health and Social Security.

While sympathising with their colleagues, they agreed that the Review Body was the best system at present.

Protest at length of Tether tribunal

FINANCIAL TIMES REPORTER

THE AMOUNT OF TIME an industrial tribunal had spent considering a claim by Mr. Gordon Tether, the former Financial Times columnist, that he was unfairly dismissed was described yesterday by Mr. Thomas Morison, counsel for the Financial Times, as "scandalous."

Mr. Morrison made his comments about the length of the tribunal hearing when he began summing up, on the 44th day.

The tribunal is considering a claim from Mr. Tether, 64, former Lombard columnist, that he was unfairly dismissed 20 months ago. He is asking for compensation *and reinstatement.*

Mr. Morison told the tribunal, headed by Mr. William Wells, QC: "The amount of time this case has taken can and should be described as a scandal."

Referring to Lord Donovan's Royal Commission on Employers and Trade Unions, which formulated the unfair dismissals procedure, he said that the case amounted to "a perversion of *the mechanism for deciding* these disputes," and was "a travesty of justice calculated to bring the whole of this procedure into disrepute."

The commission had suggested that claims for unfair dismissal should be lodged within five days of dismissal, and suggested that a necessary part of a satisfactory procedure was that it be conducted "speedily."

Throughout the case there had been a danger that over-indulgence to an unrepresented litigant (Mr. Tether) on the one hand could produce an unfairness to the respondent (the Financial Times) on the other.

The only way to compensate the Financial Times for the "unfair effect of the length of the proceedings" was to award the newspaper costs.

On a "broad view" of the case the tribunal was considering a "breakdown between employee and employer, or employee and manager."

Mr. Tether, he said, had made it impossible for the newspaper to "manage him" and impossible for Mr. Fredy Fisher, the *Financial Times editor* to carry out his editorial duties.

While Mr. Fisher had shown his willingness to accept that he had made mistakes in the execution of his editorial function, or might have made mistakes, Mr. Tether did not and could not accept that he "bore any blame at all." Mr. Tether did not accept anyone as his superior or accept any criticism of his work.

Mr. Morison suggested six areas the tribunal should consider in making its findings. Among these was Mr. Tether's distrust of all in authority over him and his "irrational view of the dispute."

Mr. Tether had no ability to compromise *or to admit the pos*sibility of his fault.

Mr. Morison, while stressing that he did not want to put pressure on the tribunal, said that it would be "perverse" if not "whimsical" for it to find against the newspaper on the basis of the documentary evidence before it.

Opposing Mr. Tether's claim for reinstatement, Mr. Morison said that it was not made in good faith.

Mr. Fisher genuinely believed that some of Mr. Tether's articles had not "married up" with the standard he had expected.

There was never any ground for thinking that Mr. Fisher had feelings of "obsessive hostility" toward Mr. Tether.

About 46 articles by Mr. Tether in two years were "banned" by the editor either because of quality or because they fell outside his range of subjects.

Mr. Tether's claim that there was no consultation before a directive limiting and confining him to a range of financial subjects, said Mr. Morison, was "sheer lunacy."

The very reason for the direc*tive was that there* was no consultation, and the directive was intended only to ensure that more of Mr. Tether's articles appeared in the newspaper.

Mr. Tether, completing his summing-up earlier yesterday, said that there were "no grounds for a reasonable editor to have come to the conclusion in good faith that it would have been damaging to the reputation of the Financial Times" to publish the articles.

He was a columnist of long standing. The Financial Times, no matter what it thought about his work, "could not reasonably come to the conclusion that there was any reason for terminating my employment."

His reinstatement would be a "good thing for the Financial Times," and would show the FT was willing to "bury the hatchet."

He accused the newspaper of handling the dispute in a manner "calculated to inflict the maximum damage." His reinstatement on the Lombard column was the only way "completely to repair the damage to my professional reputation." No other column would give him the same "job satisfaction." The Financial Times was cynical in suggesting that he did not really want the column back.

He was a columnist of long were reinstated after the tribunal he would be able to "get on together" with Mr. Fisher.

Mr. Tether denied that he contributed to his own dismissal,

The case continues today.

Fifth fewer days lost through strikes

BY NICK GARNETT, LABOUR STAFF

WORKING DAYS lost through strikes in progress during the first five months of this year showed a drop of about a fifth over the same period last year, falling from 3.6m to 2.8m.

The number of workers involved in stoppages over the same periods also fell by 15 per cent, from 452,000 to 383,000. The number of individual stoppages *fell slightly*, from 1,188 to 954.

Over January to May this year, disputes involving pay and fringe benefits totalled 577, involving 143,000 workers.

The next two main categories were disagreements over manning and work allocation, causing 119 disputes involving 20,000 workers; and dismissal and disciplinary difficulties, producing 91 stoppages with 17,300 workers involved. Working conditions and supervision formed the only other area that caused more than 50 stoppages beginning in the period.

Provisional figures in the Employment Gazette's June edition shows 158 strikes beginning in May this year as against 193 in April.

Working days lost in all strikes in progress last month, at 414,000, were also down on the April total of 573,000. The number of workers involved in strikes in progress during the period, however was about the same at just below 85,000 for each of the two months.

Overtime ban

JOURNALISTS on the Press Association news agency yesterday decided to step up sanctions on Monday in support of a pay claim. The increased action will involve a complete ban on voluntary overtime and non-journalistic work.

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PARLIAMENT AND POLITICS

EEC proposal on doorstep sales attacked

BY IVOR OWEN, PARLIAMENTARY STAFF

PROPOSALS BY the EEC Commission to strengthen consumer safeguards against doorstep selling strongly opposed by mail order firms and insurance interests—were condemned on all sides in the Commons last night.

Mr. John Fraser, Minister of State for Consumer Affairs, bluntly declared that, as at present drafted, an EEC directive on contracts negotiated away from business premises was not an acceptable basis for legislation in the UK. He called on the Commission to take an entirely new approach.

The Minister accepted an Opposition amendment urging the Government to secure the withdrawal of the Commission's proposals and undertook to secure their replacement by something more acceptable to the Government and the House.

At one point, Mr. Fraser questioned whether the detailed nature of the draft directive, embracing doorstep sales of bread and milk, emergency help provided by electricians and plumbers and even the AA's breakdown service for stranded motorists, was compatible with the Commission's role.

"Matters in this directive barely involve intra-Community trade," he said.

With support from other anti-Marketeers Mr. Enoch Powell (UU Down S.) seized on these words as possibly marking a significant change in the Government's approach to the EEC and perhaps indicating a new determination not to allow Parliament to be overruled from Brussels in matters of essentially domestic legislation.

Mr. Fraser complained that the draft directive was diffuse and included proposals likely to have a perverse effect.

He instanced the disruptive influence which the Commission's proposals would have on the agency-operated and catalogue-based mail order business which already provided consumer safeguards going far beyond those required by law.

The mail order traders' organisation had pointed out that the EEC proposals on documentation would involve them in the distribution of 790m additional pieces of paper. "I don't call that documentation. I call it Community confetti," he declared.

Mr. Fraser was also insistent that the directive should not apply to insurance contracts. "I am not saying that there should not be control over the 'hard sell' of insurance on the doorstep. But that should be the subject of an entirely separate regime."

Mr. Fraser was also critical of the attempt made in the directive to stipulate a lower cash limit for doorstep trading.

Even though the initial figure of £17 had been amended, the Government believed that this was another matter which should be left to the national judgment of each member-State.

While admitting the need for improved consumer protection over cash doorstep sales, the Minister commented: "If the commission had not intervened with the draft directive, we would have probably legislated already to deal with cash transactions as well as credit transactions."

Action had already been taken, providing that from July 1 anyone selling goods and services in the UK on the doorstep on credit would need a special licence.

Subject to certain limits, debts incurred by unlicensed traders or through unlicensed brokers might well be irrecoverable.

Leading the attack on the draft directive from the Opposition front bench, Mr. Giles Shaw (C., Pudsey) scoffed: "This seems to be a big sledgehammer with which to crack a nut on our doorsteps.

"Are we really going to have to protect people from French onion-sellers pedalling their way through Pudsey or itinerant Italian ice-cream sellers inching their way through Ilfracombe?"

Mr. Shaw welcomed the robust attitude taken by the Minister, and urged MPs to endorse the Opposition's amendment and so deal "a firm and final blow" to the directive.

"We cannot accept this kind of intervention in our affairs, which is so contrary to the standards of trading over such a long time."

UK ECONOMIC INDICATORS

ECONOMIC ACTIVITY—Indices of industrial production, manufacturing output, engineering orders, retail sales volume (1970=100); retail sales value (1971=100); registered unemployment (excluding school leavers) and unfilled vacancies (000s). All seasonally adjusted.

	Indl. prod.	Mfg. output	Eng. order	Retail vol.	Retail value	Unemployed	Vacs.
1977							
1st qtr.	103.2	105.2	109	103.3	216.4	1,330	na
2nd qtr.	101.9	103.0	106	102.5	222.0	1,330	163
3rd qtr.	102.7	103.7	106	104.3	234.2	1,418	151
4th qtr.	102.2	103.2	107	104.4	239.4	1,431	157
1978							
1st qtr.	103.2	104.1	109	106.3	246.0	1,409	188
Jan.	102.9	103.7	106	104.9	241.0	1,419	180
Feb.	103.5	104.0	118	106.8	246.5	1,409	187
March	103.2	104.5	103	107.0	249.8	1,400	196
April	104.8	105.5		106.7	250.3	1,387	204
May				109.0		1,366	210
June						1,365	217

OUTPUT—By market sector: consumer goods, investment goods, intermediate goods (materials and fuels); engineering output, metal manufacture, textiles, leather and clothing (1970=100); housing starts (000s, monthly average).

	Consumer goods	Invst. goods	Intmd. goods	Eng. output	Metal mnfg.	Textile etc.	Housg. starts*
1977							
1st qtr.	115.9	99.4	106.1	100.4	83.9	104.4	19.9
2nd qtr.	113.4	97.5	105.2	98.7	80.5	100.2	25.1
3rd qtr.	115.1	98.0	104.7	99.6	83.3	100.7	25.4
4th qtr.	117.0	97.5	101.9	99.1	74.8	99.7	20.7
Dec.	118.0	98.0	102.0	100.0	79.0	101.0	16.1
1978							
1st qtr.	117.1	98.6	104.9	100.2	76.8	100.2	17.8
Jan.	117.0	99.0	104.0	100.0	75.0	100.0	17.4
Feb.	117.0	98.0	106.0	100.0	78.0	100.0	15.3
March	118.0	99.0	104.0	101.0	78.0	101.0	20.7
April	119.0	99.0	108.0	100.2	81.0	102.0	25.3

EXTERNAL TRADE—Indices of export and import volume (1975=100); visible balance; current balance; oil balance; terms of trade (1975=100); exchange reserves.

	Export volume	Import volume	Visible balance	Current balance	Oil balance	Terms trade	Resv. US$bn*
1977							
1st qtr.	115.7	109.1	−947	−493	−800	99.0	10.5
2nd qtr.	118.0	109.8	−794	−365	−745	100.3	14.9
3rd qtr.	124.1	106.4	+ 54	+357	−602	101.0	13.4
4th qtr.	117.9	102.6	+ 45	+486	−657	102.4	20.39
Dec.	118.9	108.1	− 76	+ 71	−276	103.1	20.56
1978							
1st qtr.	120.3	114.3	−574	−305	−646	105.1	20.63
Jan.	112.2	114.6	−338	−248	−236	105.5	20.87
Feb.	127.4	111.3	+ 43	+132	−202	104.8	20.7
March	121.4	116.9	−279	−189	−208	104.8	20.32
April	126.1	103.0	+223	+343	−115	104.0	17.04
May	120.1	112.5	−169	− 49	−109	105.2	16.66

FINANCIAL—Money supply M1 and sterling M3, bank advances in sterling to the private sector (three months' growth at annual rate); domestic credit expansion (£m); building societies' net inflow; HP, new credit; all seasonally adjusted. Minimum lending rate (end period).

	M1 %	M3 %	Bank advances %	DCE £m	BS inflow	HP lending	MLR %
1977							
1st qtr.	1.3	— 8.8	5.3	− 74	492	1,008	10½
2nd qtr.	24.8	14.9	5.5	+769	1,290	1,047	8
3rd qtr.	28.0	10.4	20.3	+365	1,084	1,149	7
4th qtr.	25.1	12.6	8.3	+698	1,565	1,189	7
Dec.	23.2	12.6	8.3	+161	421	410	7
1978							
1st qtr.	25.1	24.2	17.5	+1,819	1,049	1,260	6½
Jan.	23.2	17.3	13.4	258	388	429	6½
Feb.	26.8	25.5	18.0	963	353	418	6½
March	25.1	24.2	17.5	598	308	413	6½
April	19.1	24.7	13.1	1,437	335	463	7
May	13.2	15.6	18.8	1,096	212		9

INFLATION—Indices of earnings (Jan. 1976=100), basic materials and fuels, wholesale prices of manufactured products (1970=100); retail prices and food prices (1974=100); FT commodity index (July 1952=100); trade weighted value of sterling (Dec. 1971=100).

	Earnings*	Basic matls.*	Whsale. mnfg.*	RPI*	Foods*	FT* comdty.	Strlg.
1977							
1st qtr.	112.5	341.5	248.0	174.1	184.7	276.4	61.8
2nd qtr.	114.5	347.7	259.2	181.9	191.1	250.0	61.6
3rd qtr.	116.1	340.5	267.7	184.7	192.1	239.9	61.8
4th qtr.	119.9	330.6	272.1	187.4	193.3	234.20	63.3
Dec.	121.7	328.0	273.3	188.4	194.8	234.20	63.8
1978							
1st qtr.	123.1	326.7	279.0	190.6	197.3	238.61	64.6
Jan.	121.5	324.9	277.1	189.5	196.1	226.41	66.0
Feb.	122.7	324.2	279.2	190.6	197.3	224.86	66.0
March	125.0	331.0	280.6	191.8	198.4	238.61	64.1
April	127.2	337.5	282.8	194.6	201.6	238.94	61.8
May		341.8	284.4	195.7	203.2	250.67	61.4

* Not seasonally adjusted.

Tories want tougher attitude to Soviets

By John Hunt, Parliamentary Correspondent

DEMANDS THAT the Government should take a much tougher attitude towards Soviet involvement in Africa were made by the Conservatives in the Commons yesterday when Dr. David Owen, Foreign Secretary, faced questioners.

Mr. Richard Luce, a Conservative foreign affairs spokesman, demanded that unless Russia mended her ways, the West should retaliate with economic sanctions, including the stopping of grain supplies and the provision of cheap credits to the Soviet Union.

Mr. Luce asked Dr. Owen to say whether he agreed that detente was indivisible and that our African policies should be seen in the wider context of Western relations with the Soviet Union.

He thought that the time had come for Britain and the Western world to show a more robust approach to the Soviet Union. If they persisted in their "destructive policies" in Africa, we Prime Minister's speech in New supply them with privileged credit facilities or grain supplies.

In reply, Dr. Owen took a cautious line. He agreed that detente was indivisible and did not think that the sort of adventurism we had seen in Africa could be excluded from this. We should, however, be very wary of thinking that Afrcan problems were an East-West issue. They should be seen primarily in an African context.

We had already made a response by deciding to strengthen the NATO alliance and to increase defence expenditure in the face of the steady increase in the strength of Warsaw Pact forces.

Mr. Julian Amery (C. Pavilion) a former Minister of State at the Foreign Office, complained of the Prime Ministers speech in New York in which Mr. Callaghan had said that we could not allow differences with the Soviet Union over Africa to interfere with detente.

This, said Mr. Amery, would be regarded as "the green light" for Moscow to go ahead with Soviet adventurism in Africa and southern Arabia.

Liberal foreign affairs spokesman, **Mr. Jeremy Thorpe**, suggested that we should test the intentions of the Russians by asking them to back a cease-fire across the frontiers in Rhodesia.

Dr. Owen told him that the Russians would probably deny that they had any involvement in that area. Yet we knew that they did supply arms to the liberation movements and this gave them a great deal of influence. It was important that we should try to offset this by the supply of humanitarian assistance.

Mr. John Stokes (C. Halesowen and Stourbridge) asked the Foreign Secretary to comment on the speech by Mrs. Margaret Thatcher, the Conservative leader, in Brussels last Friday in which she called on the EEC to take Western defence interests into account in reaching economic decisions.

Dr. Owen thought it would be unwise to have a situation where membership of the EEC was firmly linked with membership of NATO. We should see them as two distinct organisations which had many areas of common interest.

State industry Ombudsman Bill supported

WITHOUT A vote MPs yesterday approved in principle establishment of an ombudsman to investigate Britain's nationalised industries.

But the Bill, introduced by Mr. **Tony Durant** (C. Reading N) and given a first reading has practically no chancet of becoming law at this late stage in the parliamentary session.

Mr. Durant said that state industries, in a monopoly position, used vast sums of taxpayers' money and did not take as much account of consumers as private industry.

Foot beaten in vote on party document

BY RUPERT CORNWELL, LOBBY STAFF

MR. MICHAEL FOOT, Labour's deputy leader and arch-traditionalist, yesterday suffered a heavy defeat as the Left-dominated National Executive Committee adopted as party policy a document calling for a sweeping reform of the House of Commons.

Mr. Foot, leader of the House and former standard-bearer of the Left in Parliament, has always opposed any tampering with the procedures of the Commons, and especially any move to strengthen the powers of Select Committees.

Yesterday, however, at a full meeting of the national executive, he clashed with Left wingers, including Mr. Anthony Wedgwood Benn, Energy Secretary, who described Mr. Foot's stand as a "direct negation" of the proposals.

Backed only by Mr. Michael Cocks, Government Chief Whip, who, exceptionally, was present, although not a member of the NEC, the Leader of the House urged that the document, which demands reinforced Select Committees and tighter legislative scrutiny of public spending, be demoted to the status of a mere "advisory" paper before the party conference, with no official blessing from the executive.

Both argued that, if implemented, the document would make it much more difficult for a Labour Government to carry into law manifesto commmitments and items of party policy. But Mr. Ian Mikardo, MP for Tower Hamlets, warned that to downgrade the suggestions would be tantamount to burying them.

In the event, Mr. Foot's proposal was voted down by 12 to 9, and the NEC then adopted the document by 13 votes to 5. If approved, by the party conference, it will join the abolition of the House of Lords as official Labour policy.

Labour to redraft plans for ban on blood sports

BY RUPERT CORNWELL

LABOUR HAS got pre-electoral cold feet over its plans to make a ban on all bloodsports, including foxhunting and harecoursing, official party policy on which to fight the next general election.

At a meeting of the National Executive Committee yesterday, party chiefs decided to re-draft in considerably milder terms the original document approved by its key Home Policy Committee. Only then will the proposals stand a chance of finding their way into the manifesto.

Objections to the original documents were led by the Prime Minister, who claimed that the working party responsible for it had "scattered its shots too widely" and succeeded in worrying even anglers whose sport would not be affected.

Mr. Callaghan left no doubt he was wholeheartedly behind a ban on stag hunting and harecoursing. Significantly he omitted to mention foxhunting, and there was a wide suspicion last night that this may be dropped from the revised proposals.

The Prime Minister promised, however, that the amended proposals would stand a very good chance of adoption into the manifesto when that was drawn up by the joint committee of NEC and the Cabinet.

Earlier, Mr. Anthony Wedgwood Benn, Energy Secretary, also called for the proposals to be re-examined. Like several other NEC members, he stressed the need to distinguish between blood sports and the wider issue of cruelty to animals.

Healey in well-matched TV confrontation

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

A TELEVISION discussion between Mr. Denis Healey, Chancellor of the Exchequer, and Mr. William F. Buckley Jr., the conservative U.S. commentator and polemicist, can only be described in the language of confrontation.

To use the words "interview" or "dialogue" would be too mild.

The exchanges disclosed more about the style of each participant than the substance of his thought. But there was a rare and revealing insight into Mr. Healey's views on the role of ideology in politics.

The meeting occurred in London earlier this week when Mr. Buckley recorded an edition of his weekly hour-long "Firing Line" programme with Mr. Healey as his guest. This will be shown early next month in the U.S., but not in the UK.

The protagonists were well matched; neither man makes a fetish of modesty while both have an extensive knowledge of history, politics and literature, enjoy dialectic and have a well-developed taste for the barbed remark.

The appropriate metophors for the occasion were those of fencing since, for once, the view of Mr. Healey as the boxer was not quite appropriate.

Mr. Healey countered from the start — perhaps, at times, too strongly to win over his audience. His approach contrasted with the outraged, or more subtly defensive stance, adopted by some TV guests in response to Mr. Buckley's distinctively Right-wing arguments.

The Chancellor presented himself as a practical man of affairs and compared this with the different roles and responsibilities of the commentator.

Mr. Healey and Mr. William F. Buckley Jr. (right), the U.S. commentator, whose exchange of views were recorded earlier this week.

He noted that while the politician was concerned with being right, the journalist was concerned to be bright and then gave a mock apology as an "unfrocked intellectual" for falling from saintliness. As usual, his sharpest remarks were prefaced by the half-qualification "with great respect..."

Mr. Healey took the opportunity to explain some of the mysteries of Britain to a U.S. audience. British politics, he said, had always appeared deficient in system to outside observers since it had few theorists.

In a passing reference to the conservative revival in the U.S., with which Mr. Buckley is closely identified, the Chancellor asserted that theorists flourished in Left-wing movements at their birth but in Right-wing movements at their death. Mr. Buckley dissented.

Mr. Healey added that he believed that socialist theory could only set a sense of direction. He also argued against defining the limits of the size of the public sector by law or in advance, and was pleased that the UK did not have a referendum device like the tax-cutting proposition in California.

Defending the Labour Government's policy, Mr. Healey pointed out that the relative industrial decline of the UK had lasted a century, and that more, not less, attention had been devoted to material things in the last two decades.

Britain has more than 41m voters

By Philip Rawstorne

BRITAIN'S registered voters now exceed 41m—about 1m more than the total on the registers at the last General Election in October, 1974.

Electoral statistics published by the Office of Population Censuses and Surveys yesterday show that the registers which came into force in mid-February contain 41,187,752 names. The total in October, 1974, was 40,072,971.

Included in the current electoral lists are 576,306 young people who will reach the age of 18 before the registers expire next February.

Some two-thirds of these young voters are expected to be eligible to vote if the General Election is called in October.

The numbers of young people coming on to the registers are reflecting the "baby boom" of the late '50s and early '60s. More than 553,000 were registered in 1977.

In all parts of the UK, there has been an overall increase in the number of electors.

To keep up with electoral inflation of another sort yesterday, the Government published a Bill to provide for increases in the campaign expenses of Parliamentary candidates.

The Representation of the People Bill provides for new limits of £1,750 plus 2p for every elector in county constituencies and 1½p for every elector in borough constituencies.

These compare with the present limits of £1,075 plus 6p for every six electors in the counties and 6p for every eight electors in the boroughs.

The changes would come into effect for an October General Election if the legislation is enacted by the end of the session.

No changes are proposed in expenses for local government elections which were raised last year.

Future increases to take account of inflation would be made by Order rather than Act

Mrs Thatcher outlines her pay policy

BY RICHARD EVANS, LOBBY EDITOR

A SHARP DISTINCTION between pay bargaining in the private and public sectors under a Conservative Government was drawn yesterday by Mrs. Margaret Thatcher, the Tory Leader.

She confirmed during a by-election tour of Penistone, Yorks., that there would be free collective bargaining in the private sector, but that this would not be permitted in the nationalised industries or other areas of the public sector.

In the nationalised industries pay increases would depend on increases in efficiency and productivity, while in local authorities, the Health Service and education they be kept within strict spending limits the Tories would impose.

But Mrs. Thatcher insisted that she was not going to lead an election on threats. "I believe we will be able to get reasonable and commonsense bargaining. I hope people will get wage increases by increasing productivity and efficiency."

Her tough attitude toward the public sector means that the pay negotiations are certain to be a live issue in the General Election campaign. Mr. Callaghan is expected to underline the Tory attitude when he addresses trade union conferences in the next few weeks.

Mrs. Thatcher went on to attack Labour as the party engaged in redistribution of wealth rather than paying attention to creation of wealth.

"You cannot make a nation prosperous unless you have the incentive to do so. I am afraid the incentive is just not there," she said.

She was convinced that "the jobs of tomorrow" would come from the small businesses. If you were going to close large plants, you had to sow the seeds of tomorrow's businesses, which would be small.

UK to press EEC on farm prices

BY REGINALD DALE

BRITAIN will continue to press for a reduction in the proportion of the EEC Budget devoted to farm price support, Mr. Joel Barnett, Chief Secretary to the Treasury, assured MPs yesterday.

This could be achieved by reducing the amounts spent on surplus products while increasing funds for social and industrial policies, he told the Commons Select Committee on European Legislation Etc. (that is the name of the committee).

The effect of such an exercise could well be to reduce the overall size of the Budget, of which about 70 per cent goes to agriculture, Br. Barnett said.

He certainly hoped that the 1979 Budget would be less than the Commission's preliminary draft estimates of almost £10bn tabled at the end of last month.

On the basis of the preliminary figures the UK's net contribution would be about £1bn, Mr. Barnett told the committee.

He stressed that the Budget was most unlikely to be so high after its passage through the Council of Ministers, due to start its examination of the Commission's proposals on July 18.

Mr. Barnett came under strong pressure from committee members to try to force the hands of the nine Minisetrs of Agriculture by refusing to accept estimates for farm price support in the Budget Council.

While agreeing that this was a possibility, he warned that it could result in major disruptions for farmers throughout the Community. The essential aim must be to change the Common Agricultural Policy in the Council of Minisers of Agriculture, and this the Government was trying to do.

Mr. Barnett warned of the danger of allocating money to non-agricultural policies like unemployment and industrial investment without sufficient forethought.

He would want to be sure the money was not going to be wasted, or duplicate national efforts. "Simply throwing money at a problem does not necessarily solve it," he said.

Lynch urges UK pledge on Irish unification

FINANCIAL TIMES REPORTER

MR. JACK LYNCH, the Irish Prime Minister, yesterday called on the British Government to declare its interest in the eventual unification of Ireland.

In a speech to the Dail, the Irish Parliament, he said that a lasting peace could be obtained "only by a coming together of the people of this island, in peace and under agreed structures."

Mr. Lynch also claimed that the Irish Republic's anti-terrorism laws were now more severe than any other country in Western Europe.

Meanwhile, Mr. Sean MacBride, the Nobel Peace Prize winner, involved in last year's talks between the Provisional IRA and Protestant paramilitaries, has said that the time is probably right for another attempt at a cease-fire in Northern Ireland.

Explaining remarks he made earlier, he said he knew contacts between the IRA and the Loyalist paramilitaries were continuing, but he did not know how far they had gone.

In a varied career, Mr. MacBridge has been chief-of-staff of the IRA, an Irish Government Minister and UN Commissioner for Namibia. He took part, along with Mr. Desmond Boal, Belfast lawyer and former Unionist MP, in talks aimed at a cease-fire between the two sets of paramilitaries last year.

Although that attempt failed, Mr. MacBride said yesterday that both sides now realised that neither could win and that the question should be settled by Irish people, rather than the British Government.

He saw in this a basis for negotiation, although he did not maintain that agreement would be forthcoming in a matter of days.

Neither he nor Mr. Boal had been involved in any further contacts recently, but both were willing to become involved again, if the paramilitaries thought they could be useful and were available to resume discussions.

Peers approve electricity Bill

THE BILL giving up to £50m to the Central Electricity Generating Board to compensate it for the early start to the Drax B power station at Selby, Yorkshire, passed its remaining stages in the Lords yesterday.

The Nuclear Safeguards and Electricity (Finance) Bill has already ben through the Commons.

JOHN BOURNE REVIEWS THE MEMOIRS OF THE FORMER TORY CHANCELLOR

Maudling—the Prime Minister who never was

SIGNIFICANTLY, IT is a cartoon of Reggie Maudling removing a beaming mask to disclose an identical beaming face, which he has chosen as one of the main illustrations in his memoirs—incidentally, a far more readable book than those of some of his contemporaries.

The cartoonist's caption—"Everyone likes the Prime Minister who never was"—was an acute contemporary comment on the shrugging acceptance of his 150-133 vote defeat by Edward Heath in the first ballot for the election of the Conservative Leader in 1965. With such a narrow result (Enoch Powell was third, with 15 votes) Mr. Maudling could have run in a second ballot. But he did not, a piece of inaction which he dismisses in a typical throw-away phrase: "There was not much point in asking people to say the same thing over again."

Even more revealing, however, is the author's comment printed below the caption of the cartoonist, Leslie Gibbard. This is: "Could any politician hope for more from a cartoon?" Were this not a rhetorical question, the reply of most senior politicians in both major parties would undoubtedly be a resounding "No."

To those politicians who believe that Reggie Maudling was one of the best Prime Ministers Britain never had, his political autobiography will be in parts as lively, perceptive, and amusing as Gibbard's cartoon. But it will tell them little more than they already know or guess about what made one of our most intelligent post-war statesmen tick, or—more aptly—not tick.

There are, of course, anecdotal sidelights and cogently argued passages about his political philosophy which help to focus more clearly Mr. Maudling's double image as a jovial, witty and intellectual bon viveur, and as a gentle giant of the Tory Left wing. But the enigma remains.

How did a man of his ability (a First in Greats at Oxford and one of the few people who could have argued Winston Churchill into deleting a favourite passage from a draft speech) fail to try harder for the supreme political office? And how did the man destined to be one of the Tories' most successful Chancellors of the Exchequer fail to detect earlier the personal flaws of Poulson and, to a lesser extent, Hoffman? Of Poulson, Mr. Maudling writes: "I do not see how I could have done so: certainly no one else did, and the activities for which he was to pay such a severe penalty were known only to himself and those who were participants in them."

And of Hoffman, Mr. Maudling records that within a few months of hearing disquieting news about the financier's activities in the U.S., he resigned as a director of Hoffman's organisation for collecting overseas funds for buying real estate in America.

But the memoirs do give a closer insight into some aspects of Mr. Maudling's character—for example, his repeated denials that he is lazy—as well as confirming his considerable reputation as either an innovator, or an important influence, in his party's attitudes towards economic growth, incomes policy, the trade unions, Northern Ireland, the Middle East, Russia and the former African colonial territories.

But the picture he gives of himself in the memoirs occasionally borders almost on self caricature. Take this part of a prep-school vignette: "I was grossly over-weight, and as the fattest boy in the school I spent most of my time being sat on by everyone else (in the rugby scrum) . . . I think my sole distinction in the OTC was fainting on parade one afternoon, no doubt after excessive enjoyment of the lunch hour I had spent at the school tuck shop." And of a Hallowe'en charity ball at an ice rink: "I was dressed as a brown owl. Perhaps this was the first occasion on which I began to acquire my reputation for sleeping, if not, alas, for wisdom." All good Billy Bunter stuff, but it makes it easier to understand why many Tory MPs regarded his tongue-in-cheek banter as a sign that he lacked "political bite."

Mr. Maudling's is the sort of wit which might well have led the redoubtable Lord Salisbury to repeat the words he first applied, in a very different context, to Iain Macleod: "He is too clever by half." In his memoirs, Mr. Maudling remarks—in the best style of the Oxford University Union: "We have had Selsdon Man and it took some time to get over that. We do not yet know the full measure of Selsdon Woman."

Also his sometimes acute political perceptions will not endear him to some of his colleagues, particularly to Sir Keith Joseph, Mr. Powell and Mrs. Thatcher: "There are many problems that do not yield to logic, but there are few that can be solved by methods that are blatantly illogical. This is one reason why I have always disliked the extreme in politics. The present truth always lies somewhere in between, as party conferences are never prepared to recognise, and future progress should be the purpose of current contradiction. The Hegelian process of thesis and antithesis leading to synthesis is the essential principle of human progress." (Mr. Maudling was a fervent Hegelian at Oxford). "In politics it may be called the Middle Way, Butskellism, or consensus. By any name it makes sense to me."

Certainly in his two unsuccessful bids for the Tory leadership, he willingly accepted the consensus of his party, although he admits that "the weight that sits on a Prime Minister's shoulders is an awesome one. While the Heath contest was in progress, I could not help from time to time, particularly late at night, brooding on the responsibility I was seeking to undertake.

"It is one thing to be leader of your country because your supporters wish you to do it. Then you can sleep easy with your conscience . . . It would be another thing to sleep easy with your conscience in the dark and dangerous days that inevitably come if you know you had assumed the responsibility because you had wanted it, fought for it, campaigned and contrived for it yourself."

Perhaps here Mr. Maudling partly answers the question why he did not become leader of the Conservative party.

Memoirs, by Reginald Maudling; Sidgwick and Jackson, pages 285, £7.95

Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

● ELECTRONICS

Sensing speed with highest accuracy

MANY FORMS of speed detection equipment exist and are used in industry. But the hallmark of good design is simplicity and ease of use and an in-bearing electronic sensor called "Revtel." developed over the *past two years fulfils* these criteria completely, while having potential applications that its producers. RHP at Stonehouse in Gloucestershire. are only just beginning to realise.

Very few pieces of equipment in any industry come without drives of one form or another and their drive shafts are invariably carried in bearings. There is thus always a place for a Revtel to measure speed with absolute accuracy. or angular displacement. or acceleration and—in the future—many other parameters of machine functioning which could include temperature and vibration and possibly torque.

Bringing the speed sensor into the bearing means that problems and costs of secondary drives to separate tachogenerators do not exist.

Internal structure of the Revtel is mechanically simple. The stationary ring of the bearing, inner or outer. carries the device. The rotating ring has fitted to it a toothed disc which passes close to a proximity detector which is producing a field, modified each time a tooth moves into it. This means that the detector emits a pulse corresponding to each tooth and it follows that speed measurement is absolutely accurate since there is no slippage and operation is at electronic speeds.

Output is a strong signal and the electronic circuitry embedded in the plastic disc forming one wall of the bearing can be chosen to provide a train of pulses for interpretation outside the device, or an analogue signal to feed directly to a meter.

Exciting is the prospect that the discrete components now used will be relatively easy to incorporate into a single hybrid integrated circuit with comparatively few restraints on what can be asked of it, other than cost, which implies mass-production and mass application.

And because the application of electronics, including microprocessors, is spreading rapidly to most forms of control processes, the Revtel is a natural "component" for such work.

In speed regulation and control loops, the unit will prove invaluable and several companies in the UK are already looking *at possible applications.*

The reason why the company moved away from magnetic and inductive sensing lies in the fact that these methods were unsuitable for use on bearings. RHP spends a lot of time eliminating magnetism from its bearings and to induce it through a sensor would shorten the life of the unit very considerably because wear metal would be attracted to the rolling surfaces.

The coil around the sensor probe therefore operates at radio-frequency so tuned that the probe becomes very sensitive to metal at close range.

The sealed structure of the Revtel prevents ingress of dirt and resists damage. Temperature operating range is typically from minus 20 to plus 120 degrees C.

Typical cost for mass applications would be in the order of £5 per unit which means bearing and sensor. For more esoteric uses at high speeds—say up to 20,000 rpm—costs would be of the order of £100 to £200.

No exact figure can be put on developments costs to date and some support has been forthcoming from the DoI. A figure of around £200,000 would not appear unreasonable and while this may appear high linked with a product which seems so simple, it is the price UK companies have to pay to stay in business through innovation in the face of severe foreign competition based on massive production.

UK and foreign patent rights have been obtained or applied for.

One interesting development that has already been brought to the prototype stage is a portable electronic tachometer incorporating its own Revtel and power source which is accurate up to 19,000 rpm with a resolution of ± 1 rpm in a 10 second period.

Further details from Revtel Department, RHP Aerospace Bearings Division, Stonehouse, Gloucestershire GL10 3RH. 045 382 2333.

● METALWORKING

Small gas cutters

TWO NEWLY - DEVELOPED portable gas-cutting machines from ESAB of Gillingham, Kent, are simple, but robust, and meet *industrial* demands for portable gas-cutting equipment capable of tackling many applications.

Thyristor-controlled drive enables a cutting speed to be achieved of up to 1,250 or 2,500 mm/min respectively, in forward *and* reverse directions. The machines are available for all customary gases and can also be used for plasma cutting and welding operations.

Cadet 2000 can be equipped with one or two, the Pilot 2000 with up to four, single torches or two triple torch assemblies. Straight, circle and shape cuts as well as various weld bevels and scarfing cuts up to 80 degrees can be carried out. A special track for straight cuts is not required, the machines can be guided by a simple angle iron of about 30 by 5 mm. The wide variety of additional equipment which can be supplied for handling different applications fulfils almost all possible demands *which can be expected from a* portable machine.

ESAB, Beachings Way, Gillingham, Kent. ME8 6PU. Medway (0634) 344 55.

● COMPONENTS

Longer life for car heater hose

THE USE of a synthetic rubber reinforced with short fibres of cellulose gives a significant improvement in life to a hose called Fibreline, says the maker, BTR Hose, Centurion Way, Faringdon, Leyland, Lancashire.

The hose is manufactured in a *single operation by extrusion* through a diehead which simultaneously orientates the microscopic fibres in a circumferential direction. The extrusion die and the treated fibre have been developed by Monsanto, while BTR claims it is the first manufacturer to bring the technology into commercial production.

Following a test-marketing operation the product is being supplied to the replacement market for car heater hoses and the company expects that it will be fitted as standard in production models later this year.

Advantages claimed over rubber hose is flexibility throughout the range of working temperatures, resistance to heat, *cold and ozone*, and a manufacturing process which promises an improved weight/strength ratio and a uniformly strong and reliable reinforcement.

● SAFETY

Survival in a vault

BY THE very nature of their construction, vaults or strong rooms are effectively air-tight, a security measure which often worries staff and employers because of the possibility of persons being accidentally locked in. Should this happen, the air will soon become unpleasant and, depending on the number of people incarcerated, the oxygen content will be exhausted after a time, causing death by suffocation.

The problems of rescue are the same for bona fide staff or those involved in criminal activity. Increasing pressure on management — not just from staff associations, unions or social conscience, but also from implications of the Health and Safety at Work Act — means that extra effort must now be made to guarantee the safety of persons where vaults and strong rooms are used.

An emergency ventilator system which provides a simple but effective lifeline to trapped people, yet is impervious to criminal attack and does not detract from the invulnerability of a vault or strong room, has been launched by Security Lock and Safe and Mather and Platt Alarms.

The system, which has been designed for operation by a trapped person within a strong room, comprises a blower unit plus a tube *and core assembly.* The blower unit is a small metal cabinet containing electrical and mechanical components and also housing a flexible hose. These two items are installed adjacent to each other on the inside wall of the room, but where there is access to the external surface of the strong room wall. The core is normally secured in the tube to provide protection equal to or perhaps superior to the wall construction.

In use, the core is removed from the tube by withdrawing the locking pin with the handle provided. The flexible hose is taken from the container in the blower unit and pushed through the tube to its full extent. Sufficient hose length ensures the free end passes through the full wall thickness and hangs freely on the outer facing of the strong room wall.

A powerful fan unit will now suck fresh air in through the hose and blow it out into the vault or strong room area causing air movement to be set up and partly pressurising the strong room. The external diameter of the hose is less than the 3 inch internal diameter of the tube and external pressure will now force air through the tube effectively providing adequate air change to sustain a breathable atmosphere within the room. In addition, it also allows simple voice contact and in extreme circumstances could provide limited access for other items such as water and food.

Should all other forms of lighting be extinguished, a trapped person can easily locate the system and instructions for its operation from a back-lit plaque on the face of the cabinet which is permanently illuminated.

The company demonstrated the resistance of the system this week when, under what would be ideal conditions for criminal practice, attacks were made by drills, oxy-acetylene torches and explosives. After 15 minutes of constant drilling against the tube, a depth of only ¼ inch had been penetrated—the detonation of a four-ounce explosive pack at the tube end merely succeeded in producing a slight dent.

The system is intended to be installed as a complete unit, but it is possible to install the tube and core assembly only during construction of a strong room wall when existing budgets will not allow the relatively small expense of the blower unit at that time. This will be of limited use in an emergency but would save the later expensive operation of drilling a complete strong room wall.

Further from S.L. & S. & Company at 209 High Street, Penge, London SE20 7PF (01-659 1324).

● COMPUTERS

IBM mini's new powers

HARDWARE AND software enhancements have been announced by IBM which extend the power and distributed data processing abilities of the Series 1 rack-mounted general purpose computer.

The new processor, 4955E has twice the main memory of the previous top-of-the-line model and 65k bytes expandable to 262k bytes in 65 byte increments. It will be available in December on a purchase-only basis, at the basic price of £7,222.

For the one-line storage of data and programs a new disc sub-system 4963 has an updated microprocessor to deal with its *housekeeping* and is offered basically with capacities of 58 or 64 megabytes. These sub-systems can be attached in multiple form to the processor enabling over 1,000 Mbytes to be added to a Series 1 machine.

The diskette unit has also been made more capacious, having been redesigned in magazine form in a sliding carriage arrangement which accommodates 23 diskettes, any one of which may be selected for processing in one of three drive slots. Data rates of up to 125k bytes/sec have been achieved.

Prices for the disc drives will be *from* £6,496 to £7,632 while the diskette magazine unit starts at £3,089.

A further development is new hardware and programming which make it possible to transfer data between application programs on Series 1 and certain System 370 models. Storage-to-storage communications takes place *at 300k bytes/sec.*

Other introductions are an intelligent terminal sub-system, a graphics package that can be used with non-IBM video devices and a number of real-time programing enhancements.

More on 01-935 6600.

Protecting the machine

UNDERWRITTEN by Eagle Star Group Engineering Insurance, a plan has been introduced by International Computers to provide "wide yet economic" coverage of customers' machines.

ICL says that it has had increasing demand from customers for advice and guidance on insurance and risk control. The new plan will offer a choice or combination in three main areas of cover: "all risks," including breakdown, of damage to equipment or data processing media; additional expenditure incurred in maintaining or recovering the data processing operation after damage to equipment or media; the costs of reconstituting the data.

Many of the exclusions found in policies of this type are omitted and the ICL plan recognises that if a computer is *knocked out expenditure must* be incurred immediately to speed recovery. The normal restriction that only a specific proportion of the sum insured may be spent in the first month or so is absent.

Reconstitution of records from unprocessed "raw" data is allowed for and there is also cover against malicious corruption of data.

More on 01-788 7272.

● PERIPHERALS

Display's many functions

VT100 TERMINAL from DEC has a detached keyboard, 44, 66, 80, or 132 column lines, double width and height characters, smooth scrolling, and a variety of video functions.

Characters are generated in a 7 x 9 dot matrix, and can be altered to reverse video, blink*ing and underlined, as well as* normal video at dual intensity. The terminal is designed to drive an auxiliary monitor enabling information to be shown to larger groups.

A composite video input is also available, permitting a complex incoming video signal to be combined with text on the terminal's screen. All functions such as band rates, tabs, and parity, are set using the terminal's keyboard.

The functions are stored in non-volatile memory in the terminal, or are sent from a host central processor and stored in the terminal's volatile memory section. This eliminates the need for separate mechanical switches, thereby increasing terminal reliability.

A universal power supply per*mits the same unit to be adapted* to a variety of different voltages and frequencies without remanufacturing or use of adapters. The VT100 has been designed to fit on a standard typewriter table, and can fit easily into an office environment.

More details from DEC at Digital House, Kings Road, Reading, Berks. 0734 583555.

Gathering the data anywhere

PUT ON the market by Base Ten Systems of Aldershot is a microprocessor-controlled data collection and recording unit which can be programmed to suit the application.

Called mDAS, the equipment is ruggedised for use in the field and in vehicles. It will accept up to 128 single-ended analogue inputs in the range 10 mV to 2.5 V full scale and up to 24 eight bit parallel digital inputs which might be multiple event *markers or discrete values.* Built in is a ¼ inch magnetic tape cartridge unit to record the data and play it back.

The use of the micro means that customer requirements such as random channel access, engineering unit conversion, linearisation and transducer correction, level checking, peak detection, counting and alarm monitoring can be provided as needed. Connection to a remote modem or interface is possible. Scan rate is up to 25 kHz, depending on word length and processing overhead time.

Operating from 11 to 30 V DC or the mains, the unit in its case *measures 8.25 x 16 x 10 inches* and will operate over the temperature range −5 to +45 degrees C.

More on 0252 312911.

● HANDLING

Redesigned to win an order

TO WIN major French orders, Anchorpac has redesigned its automatic front loading vehicle mounted mobile waste compaction system—equipping it with self-levelling arms and a greater lift capacity than any other similar machine on the market.

The highly manoeuvrable front loader system is designed to collect and remove all waste from up to 100 close, but relatively small, separate collection points and eliminates the conventional need for main separate compactor/container installations. It is also more economical to run than a fleet of multibucket skip loaders operating with open top skips in a confined area.

One man can pick up, and discharge, the contents of many filled bins every hour without moving from his cab.

Anchorpac, Bell Lane, Amersham, Bucks.

● MATERIALS

Safer in the air

MEETING PROPOSED regulations of the Federal Aviation Authority, Premix Fibre-Glas, 28 Firth Road, Houston Estate, Livingston, West Lothian, Scotland, has introduced a new compound to replace traditional polyamide materials for production of ceiling panels and other interior linings in the upper lounges of the Boeing 747.

This is compression-mouldable Premix Type 2202 CR-SX sheet moulding compound with, says the company, an attractive finish and also satisfying the FAA ruling which is intended to minimise smoke build-up so that cabin exits will remain visible for four to five minutes in the event of a fire following a "survivable" crash.

More on Livingston 35121.

● PLASTICS

Accuracy in moulding

ALONGSIDE EXTRUSION, blow moulding and rotational moulding, injection blow moulding is gaining in importance in the *manufacture of small hollow* articles, says Bayer UK, with the introduction of a new version of its Makrolon polycarbonate.

Other grades have been used over the years for making hollow articles by the blow moulding process, ranging from babies' bottles with a capacity of 250 ml to bottles for drinking water and 20-litre water canisters. Now, says the company, its new material promises better mould-release properties than other grades of Makrolon usable in this process.

The injection blow moulding process results in high dimensional accuracy both in the vicinity of the opening and as regards circumference and length. It also gives uniform wall thickness distribution. Other advantages, says the maker, are that it can be used when very close weight and volume tolerances are prescribed and gives a stable receptacle with no seams or shearing marks on the bottom.

Most important points of the product in blow moulding are its dimensional stability, transparency and break resistance. The dimensional stability of this engineering plastic is said to remain very good under heat—an essential property where filling temperatures are high. It can also be sterilised and is free of any odour or taste.

Because of its good break-resistance and easy cleaning, it is suggested as the obvious material for returnable bottles.

More from the company at Bayer House, Richmond, Surrey TW9 1SJ (01-940 6077).

Identifies samples

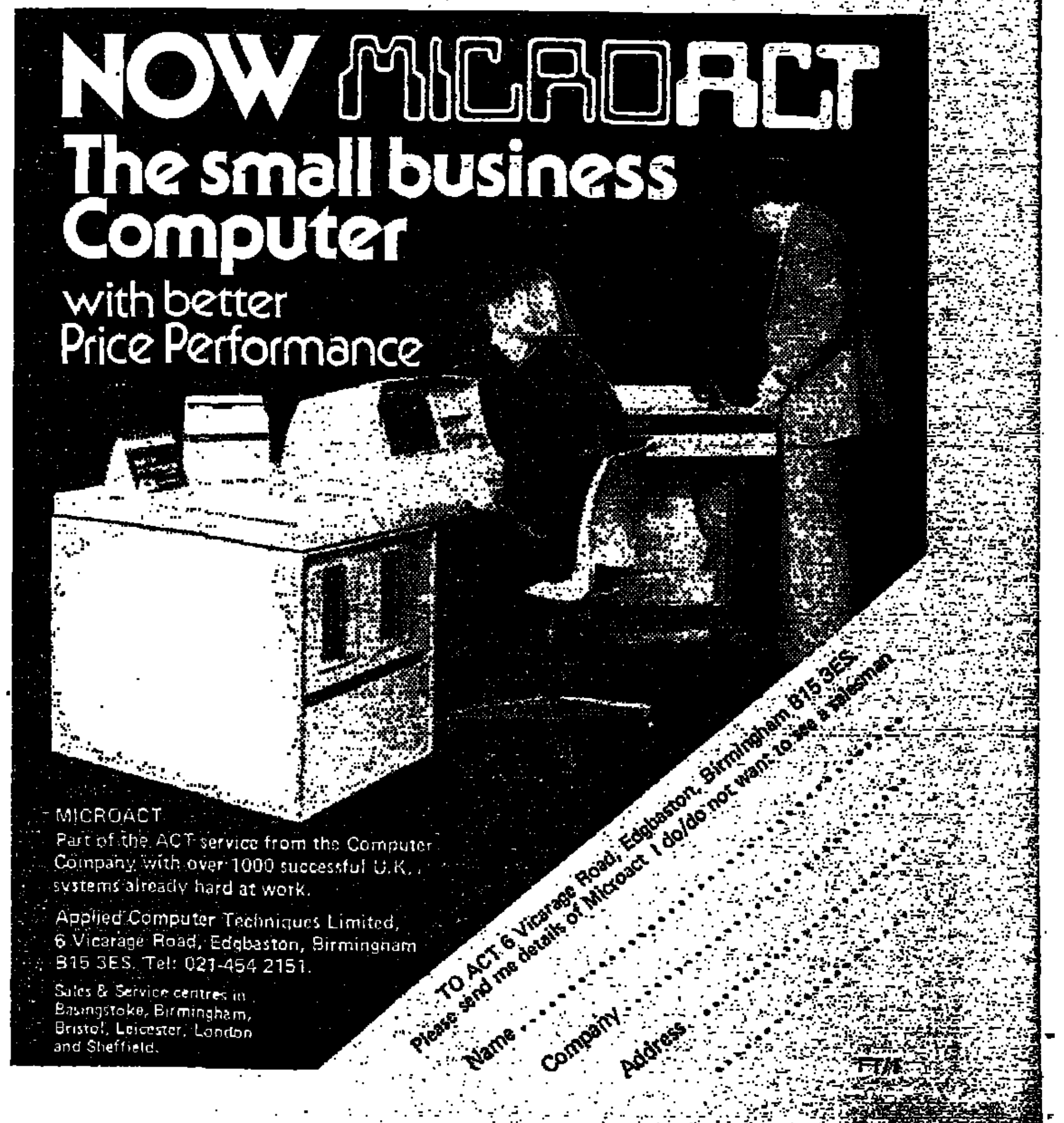
MAGISCAN image analysis system is a research tool which enables precise quantitative measurements to be extracted rapidly and automatically from virtually any kind of optically presented image.

Joyce-Loebl (Vickers Group) developed the system in collaboration with the Department of Medical Biophysics at Manchester University for research projects which include the automatic identification and counting of asbestos fibres.

Other applications of the Magiscan include quantitative examination of materials ranging from steels and nuclear fuel elements to rock cores, ceramics and coke. Location of resources from serial or satellite photographs is a field showing great promise, while in industry, the system is suitable for particle-sizing applications ranging from research into latex dispersions to quality control of pigments, sugar, chocolate powder and abrasives.

The Magiscan system differs from other equipment now available in that the vital function of "feature extraction"—that is, the picking out, from the raw image, of the particular features that will be of interest—is performed by software in a dedicated processor.

Joyce-Loebl, Marquisway, Team Valley, Gateshead NE11 0QW. 0632 822111.



Safe

in Seville

Albright & Wilson make pharmaceutical intermediates that contribute to the health and safety of the people of Spain. And of many other countries too.

Other Albright & Wilson products for safety are the foaming surfactants that fight fires, the "Proban" flame-proofing treatment for textiles, fire resistant hydraulic fluids, and additives that make plastics fire resistant.

Albright & Wilson have manufacturing plants in 15 countries. In 1977 alone, overseas production resources were increased in Australia, Canada, France, Malaysia, Singapore, Sweden and the USA.

Worldwide, sales last year were £338m, of which £194m were earned overseas, including £92m exports from the UK.

ALBRIGHT & WILSON International in chemicals

Albright & Wilson Ltd. 1 Knightsbridge Green, London SW1X 7QD. Telephone 01-589 6393

detergent materials · surfactants · shampoo materials · toiletry and cosmetic materials · fragrances · fine chemicals · flavours · food additives · fruit juices · natural drug extracts · pharmaceutical chemicals · phosphorus chemicals · fertilisers · pesticides
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THE JOBS COLUMN

Footholds in Whitehall • The £240m question

BY MICHAEL DIXON

IT TURNS out that the Civil Service Commission was even more upset than I was nine weeks ago about its recruiting only a single new mandarin from industry and commerce last year.

Moreover, the other private-sector applicants for "mature" entry as principals to the service's elite administrative division were not, in the main, rejected by some holier-than-thou interviewing panel. They failed in the later practical tests of their ability at important aspects of mandarin work, such as an "in-tray" exercise and a simulated committee session.

The fundamental rule of Civil Service committee behaviour, I'm told, is never to show emotion above the table top. When fury or the like is straining your impassivity, you have to dissipate it by kicking your legs about. The corollary is that if you want to know how civil servants are feeling, you should look under the table at their legs.

Since the Civil Service Commission experienced a similar dearth of acceptable external candidates for the older mandarin entry in 1976, a glance under its table at the moment would no doubt evoke memories of the closing stages of the Tour de France cycle race.

The reason for the current gnashing of toes is that, of the 25 openings for principals aged 28 to 52 which have just come on to the market, 13 are in *departments* heavily *involved* with industrial and commercial affairs

Most of the jobs, like about 40 per cent of the present total of 746,000 Civil Service posts, are in London. Some, however, will be at the Scottish Office in Edinburgh, and there will be one for a person with experience of computers in Hastings, and another in beautiful Norwich for an adept at industrial relations.

Candidates do not need to have a formal qualification, but as usual the commission declares that they should be of an intellectual standard equivalent to that of a "good honours degree." Quite how they measure that, I do not know, especially since these days I seem to be coming across more and more "good honours graduates" whose most noticeable intellectual trait is a tendency to confuse whatever just happens to come into their heads *with thinking.*

Depending on their experience the recruits for the London posts will start at a salary somewhere between £7,255 and £9,190. But they apparently will not be chosen in the first place unless the selection board believes that they have the ability to climb to the rank of at least assistant secretary, where the salary in London is currently £12,375.

I detect, by the way, an expectation among the commission that a fair number of the 25 principals' jobs will go to women, who have increased their representation in the Civil Service as a whole from two in every six employees five years ago, to two in every five last year.

Since it seems to me to be in the national interest that the mandarin ranks be enlightened by more people from industry and commerce, I hope that the desired crop of good external candidates will send for an application form to the CSC at Alencon Link, Basingstoke, *Hants* RG21 1JB, telephone Basingstoke (0256) 68551—quoting of course the reference A/651/FT.

Given an end to the famine of the past two years, the commissioners will undoubtedly celebrate with a right knees-up.

But there is a snag, especially since most of the jobs are in London. It is the Civil Service rule that removal expenses may not be paid to anyone joining the service from outside.

This rule is not to the Civil Service Commission's liking and clearly, if the country is to have more industrial and commercial experience among its top bureaucrats, the rule needs to be changed. The cost of paying removal expenses to new recruits would be fairly heavy, but it could surely be covered by savings in public expenditure elsewhere.

Waste not

AS IT happens, an impressive document published today indicates that the necessary "removal expenses" money not only could, but should be saved. The economy lies in the Government's scheme to increase public spending on higher education — already planned at roughly £1,460m for 1981—by about a further £240m a year.

Whitehall's reason for this *proposed 16 per cent* boost of the taxpayers' bill for graduate-production is an impending hump in the number of British youngsters reaching the age of 18, at which about 13½ in every 100 currently enter full-time or sandwich courses of higher education.

Now, in February the DES came out with a "discussion document" arguing that student demand for full-time and sandwich course places in universities and polytechnics would rise beyond the 560,000 student places planned for 1981.

Between then and 1994, the demand would increase to about 600,000 places' worth, before declining again sharply in line with the reduced birth rates since the mid-1960s.

The DES offered five strategies for accommodating this hump. But Gordon Oakes, Minister of State for Education, has since indicated that the Government is firmly behind just one of them. It is to provide universities and polys with the permanent capacity for the *600,000 students* and, as the 18-year-old age group subsequently declines, to fill the excess places with older, and especially working-class students.

So it looked as though the extra £240m annually was as good as pre-empted, until the arrival of today's comprehen*sively documented counterblast* from the Conference of University Administrators.

The Government's figures predicting a demand for 600,000 places were based on a rise in the proportion of 18-year-olds entering higher education from 13½ to 18 in every 100. Indeed, if this "age participation rate" did not rise beyond 15 per cent, the Government conceded that the 560,000 places would be about enough to accommodate the hump.

So it will hardly be to Whitehall's pleasure that the burden of the university administrators' impressive argument is that an expected participation rate of even 15 per cent is "probably an optimistic figure."

They go on to show, too, who benefits from the expansion of *higher education.* Despite a tripling of student numbers since 1960, the proportion of university students from the manual-working, semi-skilled and unskilled classes — which make up about 64 per cent of the population—was only 23 per cent in 1976. The corresponding proportion of polytechnic students was, in 1972-73, only 28 per cent.

True, Mr. Oakes's stated plan is to increase the intake of working-class students after the predominantly middle-class 18-year-old contingent begins to make way for them 16 years hence. But the trouble is that the only evidently serious attempt to open higher education to children from poorer homes, in Sweden, has failed signally.

A top Swedish manager I met recently commented that, even worse, the expansion of degree courses there has increasingly closed off career progression to people who are not graduates, so further reducing opportunities for worse-off youngsters and thoroughly dismotivating them.

Perhaps we might do better to devote most of the £240m instead to providing incentives to work by reducing tax levels.

BANQUE DE LA SOCIÉTÉ FINANCIÈRE EUROPÉENNE
MULTINATIONAL CONSORTIUM BANK
LOCATED IN PARIS
is looking for
ASSISTANT TO THE MANAGER
of its developing
SHIPPING AND TRANSPORTATION DEPARTMENT

Preferably aged between 28 and 35, the candidate should have obtained experience in ship finance with a recognized shipping bank and have established customer contacts in the sector. Fluency in English is essential and a working knowledge of French would be an advantage.

The job offers good career opportunities with attractive compensation.

Applications, giving full details of qualifications and career to date, will be held in the strictest confidence and should be sent to Mr. F. Perlewitz, Banque de la Société Financière Européenne - 20, rue de la Paix, 75002 Paris.

BLUE BUTTONS

A large firm of jobbers requires experienced Blue Buttons. The prospect of a dealing *career exists for* suitable candidates together with excellent salary, bonus, etc.

Write Box A6401
Financial Times
10 Cannon Street, EC4P 4BY

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ACCOUNTANT
Recently Qualified

London W1 c£8000

An ideal post for a recently qualified accountant, the position provides responsibility and the opportunity to contribute to business development. Responsible for accounting, management information and the development of computer based systems, the Accountant will be expected to show considerable flair in the management of the finance function as an operational area.

Probably the UK's fastest growing independent leasing company, operating in several European countries, our client has developed an enviable reputation through the entrepreneurial skills and aggressive style of *its young management team. Aged 23-27, applicants (male or female)* should be chartered accountants with major professional firm experience and should telephone or write to David Hogg ACA quoting reference I/1713.

EMA Management Personnel Ltd.
Burne House, 88/89 High Holborn, London, WC1V 6LR
Telephone: 01-242 7773

Assistant Company Secretary

London
c£7500

ICL's success and continuing growth have led to a heavy increase in workload for its Group Secretariat. We are therefore looking for an additional, highly professional, qualified Assistant Secretary to join our small dedicated team in ICL Headquarters at Putney.

You will mainly work with the Deputy Company Secretary to discharge all Group Secretariat responsibilities in relation to overseas operations of the ICL Group, which now produce more than 50% of our turnover. Additionally your responsibilities will include the Secretaryship of Dataskil Limited, a major software subsidiary of ICL based at Reading.

We are looking for a Fellow or Associate of the Institute of Chartered Secretaries and Administrators. You should have had at least five years' experience since qualifying, some of which will preferably have been in a major international company, and you will probably have a degree.

Please telephone David Mark on 01-788 7272 extension 4355, or write to him for an application form at International Computers Limited, 85/91 Upper Richmond Road, Putney, London SW15 2TE, quoting reference FT1906.

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STOCKBROKERS
require
AUTHORISED CLERK

Experienced person re- general knowledge in the London Market. Applications in writing stating age, experience and salary required to Box A.6399, Financial Times, 10, Cannon Street, EC4P 4BY.

FRENCH BANK IN PARIS

Member of an important International Banking Group requires qualified and experienced
INTERNAL AUDITOR
with good knowledge of French and English. Apply with curriculum vitae and requested salary to:
Box F.1030, Financial Times, 10, Cannon Street, EC4P 4BY.

Marketing Manager
Life Assurance
from £10,000 plus benefits

This life office offers an unusual opportunity to influence the direction of its thinking at an important stage of its growth. The Marketing Manager will be responsible for all business development through control of the sales force, new product formulation and marketing strategy. Candidates male or female, probably aged over 40, must have substantial experience in these areas within a life office together with the ability to take a total view in developing the business and its people. Starting salary is from £10,000, plus car, mortgage assistance and other excellent conditions including generous relocation help to Scotland.

(PA Personnel Services
(Ref. SM45/6471/FT)

Initial interviews are conducted by PA Consultants. No details are divulged to clients without prior permission. Please send brief career details or write for an application form, quoting the reference number on both your letter and envelope, and advise us if you have recently made any other applications to PA Personnel Services.

PA Personnel Services
127 George Street, Edinburgh EH2 4JN. Tel. 031-225 4481.
PA
A member of PA International

FINANCE MANAGER
London & Quadrant
Housing Trust

This is a job for a qualified accountant, accustomed to normal brisk commercial disciplines.

The Trust exists to provide needy people with good homes. Over 5,500 have been completed and are now under permanent management. Another 2,000 are under construction or planned for completion in the next two years.

Financial management is at present one of the tasks of the Deputy Director. His role is to be enlarged to that of General Manager. The Trust therefore needs a qualified accountant *(male or female)* to take over from him the primary responsibility for finance.

Managerial experience in a lively business is much more important than detailed knowledge of housing association work. Experience of financial control of building operations and some acquaintance with e.d.p. would be advantages.

Age at least 30: starting salary about £8,000 p.a.

Letters will be handled in complete confidence by the consultant advising the Trust:—

M. J. Graham-Jones,
The Faculties Partnership,
Management Consultants,
177 Vauxhall Bridge Road,
London, SW1V 1ER.

West Country
Our client, a major engineering company, is now seeking the following Accountants to work in the West Country.

Financial Controller c£7500

Supported by well qualified staff, you will be responsible for the preparation of *monthly and annual accounts, forecasts, cash flows etc to strict timescales.*

Probably in your early 30s, you should be a qualified accountant with good man management skills and the ability to write clear, unambiguous reports for presentation to a Board of Directors. Drive, enthusiasm and initiative are essential personal qualities.

Chief Management Accountant c£6500

To be responsible for all aspects of financial control in respect of production and development contracts, the management and direction of a team of Management Accountants, liaising with and advising Senior Management.

You should be a qualified accountant with previous experience of large engineering contracts and be prepared on occasion to spend short periods of time overseas.

In addition to the salaries indicated, benefits are those normally associated with a major company.

Please write in the first instance with full personal and career details to Ref MA 141, Robert Marshall Advertising Limited, 30 Wellington Street, London WC2E 7BD. Please list in a covering letter any companies to which you do not wish your application forwarded

Robert Marshall Advertising Limited

Investment Analyst
Philips and Pye Pension Funds
Central London

We wish to appoint an additional Analyst in our Investment Department. Applications are invited from men and women under 30 years of age: experience of the North American market an advantage.

We offer opportunity for job development, salary commensurate with qualifications and experience. Benefits include 4½ weeks annual holiday, contributory pension fund and life assurance, interest free season ticket loans and subsidised lunches. Assistance may be given towards cost of relocation if necessary.

Please send brief details of education and experience to: The Deputy Personnel Manager, Philips Industries, Arundel Great Court, 8 Arundel Street, London, WC2R 3DT.

PHILIPS

INSTITUTED 1872

TRINITY COLLEGE OF MUSIC LONDON
Accountant

Trinity College of Music (founded in 1872) is one of the country's leading Institutions for teaching music and also provides a world-wide external examinations service.

Due to the retirement of the present Accountant, the College is seeking a qualified Accountant (preferably in September) to be responsible to the General Administrator for all the work of the Finance Department of the College. This includes: the preparation and review of management accounts; the operation of a conventional book-keeping system; the payment of fees and salaries; the collection of external examination fees (c. £400,000 p.a.) and payment of Examiners and Representatives; the preparation of detailed information for submission for Government Grants; the preparation of annual accounts to final stage.

The position provides an excellent opportunity for an experienced Accountant seeking a post with considerable independence and particularly to someone interested in music or higher education.

The salary will be £6,150 to £6,750 and is related to NJC scales.

For further details and application form please write to Assistant to General Administrator, Trinity College of Music, 11-13 Mandeville Place, London, W.1. Closing date for applications 14th July.

Insurance Accounting
Central London **c.£9,500+Benefits**

Our client, one of the largest and best known insurance companies, seeks a qualified accountant aged 35/40 for an important position in its expanding accounting team.

The successful candidate will be responsible for a department producing management information on general insurance business and for complying with accounting and insurance legislation.

General insurance experience is essential and the prospects for progressing to a senior position are excellent. The benefits are most attractive and include a low cost mortgage, subsidised staff restaurant, generous holidays and non contributory pension scheme.

Contact David K. L. Tod, BSc ACA on 01-405 3499
quoting reference DT/269/IAF

Lloyd Management
125 High Holborn London WC1V 6QA *01-405 3499*

Junior Management **£8,500+**

INTERNATIONAL BANKING

Rapid expansion is causing our clients in International Banking to seek a number of junior managers to help support this continuing growth.
The posts offer excellent career prospects and there will be opportunities to serve overseas. An initial salary of £8,500 will be enhanced by fringe benefits which include a non-contributory pension scheme, a favourable house loan scheme, and free membership of B.U.P.A.
The upper age limit is 35. Knowledge of international banking is not essential provided applicants have a good banking experience and have passed the Institute of Bankers' examination.

Applicants should write providing c.v., salary progression and any other relevant data to The Managing Director. MLH Consultants Limited, 148/150 Grosvenor Road. London SW1V 3JY.

Should there be any bank to which applicants do not wish their details to be forwarded, these should be listed on the outside of an internal envelope addressed to the security manager at the above address.

MLH *Consulting Group of Companies*

Finance Director

London to £15,000 + car

The UK subsidiary of a large multinational food group wish to appoint a Finance Director.

The person appointed to this key position will report to the Managing Director and will be responsible for directing all financial and accounting activities of the company, with special emphasis on the development of management information systems.

The man or woman appointed will be aged over 30, will be a qualified accountant with a thorough background in accounting and finance, and will possess self-confidence and leadership skills; recent experience in the food industry or a consumer goods environment is desirable but not essential. The remuneration and benefits will reflect the importance of the position.

Please write in confidence, quoting reference T875, and enclosing concise personal and career details to D. E. Shellard.

AYMS
Arthur Young Management Services
Rolls House, 7 Rolls Buildings
Fetter Lane, London EC4A 1NL

Corporate Finance Executive

This appointment is with Williams, Glyn & Co., the merchant banking subsidiary of Williams & Glyn's Bank, and is based in the City. The successful candidate will almost certainly be a 25-30 year old Chartered Accountant having at least two years' post-qualification experience, possibly in the investigation department of an accountancy firm. Working as part of a team, the successful candidate will become involved in all aspects of acquisitions, mergers and new issues.

The work is interesting and exacting, calling for meticulous attention to detail. It requires a professional approach and the ability to identify and follow up new business opportunities as well as to communicate at senior levels. There will be some travel to clients in the UK.

Salary is negotiable and should be of interest to someone earning at least £6,500 at present. Excellent career prospects. Generous fringe benefits include subsidised mortgage facilities and a profit sharing scheme.

Applicants should write giving full career details and quoting reference B.896, to: M. T. Brookes, Williams & Glyn's Bank Limited, New London Bridge House, 25 London Bridge Street, London SE1 9SX.

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International Banking BAHRAIN

CREDIT DEPARTMENT HEAD

Up to US$ 30,000 tax free

Our client is a rapidly growing international bank with multinational Government backing which will ultimately provide a wide range of merchant and commercial banking services in a steadily increasing number of major world financial and trade centres.

The present requirement is for a Credit Department Head in Bahrain to manage and develop the department with immediate responsibility for all aspects of credit analysis and administration relating, for the most part, to major international loans.

Potential candidates, who must be graduates aged between 30 and 40 with at least five years relevant experience in a medium or large international bank are invited to write in confidence for further particulars to:

Myles Walker
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CHARTERED ACCOUNTANT

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Director of special projects team in old established firm seeks young qualified ACA as Personal Assistant / portfolio manager / subsidiaries' Accountant. Salary c. £6,500 to £7,000 + excellent benefits. Tel./write in confidence:

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An E.C.2 Bank requires an **ASSISTANT LENDING OFFICER** with a minimum qualification of 'A'-level German. The successful candidate will have 2 years' experience in Loans Administration, Balance Sheet Analysis and A.I.B. Part 1 or management training. Highly competitive, negotiable salary.
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Deputy Company Secretary c.£6,500 p.a.

The Property Division of the Rank Organisation, Rank City Wall Limited, wishes to appoint a Deputy Company Secretary at its Headquarters in London S.W.3.

The position requires the successful candidate to deputise for the Company Secretary in his absence in all matters including attendance at Board meetings, there will however be specific responsibilities which will include ensuring compliance with statutory requirements by all companies within the group, dealing with the legal implementation of transactions affecting certain of the Division's properties and instructing solicitors, etc.

This position would ideally suit a man or woman in their early 30's. Salary will be negotiated according to your background and as part of the Rank Organisation a first-class benefits package is offered.

Please apply in writing giving brief details to:

Valerie Apps, Central Services Personnel Manager, The Rank Organisation Limited,
439-445 Godstone Road,
Whyteleafe, Surrey, CR3 0YG.
or telephone for an application form on Upper Warlingham 3355.

THE RANK ORGANISATION

Assistant Partnership Secretary Guildford

c £6,000 (including bonus)

Due to rapid growth, a well established firm of solicitors, with offices in the City and Guildford, specialising in shipping, insurance and transportation work, wishes to appoint a young Accountant to assist the firm's Partnership Secretary in a wide range of activities.

Reporting to the Partnership Secretary, the candidate appointed to this new position will be responsible for the preparation of the firm's financial and management accounts and the administration of the Accounts Department. Additional duties will include aspects of office and personnel administration as well as the transfer of management information from its present mechanised form to a computerised system.

Suitable applicants will be qualified accountants in their early twenties. Ideally, they will have worked in a professional environment and have the ability to work effectively with senior management and staff at all levels.

A salary of £5,500 plus bonus will be offered, together with other fringe benefits.

Please write with adequate particulars to Diana Ashman, Personnel Services Division of:–

Spicer and Pegler & Co.,
Management Consultants,
3 Bevis Marks,
London EC3A 7HL.

MONEY MARKET

CHIEF DEALER

Experienced dealer aged 28/35 required in Gulf area for major Bank. Initial contract 3 years. Free accommodation and car, 6 weeks leave p.a. to include one free return air ticket for dealer and dependents. Attractive tax-free salary; other details negotiable.

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City-based overseas Bank requires a Eurobond dealer experienced in foreign exchange and deposit markets to join their dealing-room. Age 26/30 years. Excellent salary negotiable with usual U.K. fringe benefits.

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Experienced top broker required to head up Yen Team. Must be fully acquainted with personalities of all major banking houses dealing in Yen exchange and deposits. Probable age 32/42 years. Top salary negotiable with usual fringe benefits to suit.

All replies in confidence to Cedric Masterman
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ENGINEERING ANALYST

Leading firm of Stockbrokers has a vacancy in its Research Department for someone to join its team covering the engineering and motor sectors. He/she will be responsible for the analysis of major companies in these sectors and will be expected to bring a good knowledge of accounting to this work.

In addition to applications from analysts working in these sectors, equal consideration will be given to qualified accountants with around two years' experience in industry or auditing.

Excellent prospects for the right person. Salary negotiable. Please apply to Box G.2124, Financial Times, 10, Cannon Street, EC4P 4BY.

Chief Executive Underwriting

c. £25,000 per annum

A major Insurance Group is seeking to appoint a Chief Executive to manage and develop its non-Lloyd's Underwriting activity.

Reporting directly to the Group Managing Director, the Chief Executive will be responsible for creating and implementing an expansion plan to increase further the profitability of the Group's Insurance Companies and Underwriting Agencies.

This senior appointment demands considerable managerial and technical expertise preferably acquired from experience abroad as well as in the U.K. It represents an appropriate career advancement for a person with high level general management experience in an Insurance Company, who now is seeking to influence strategic decision making at top Board level. The rewards for success in this challenging role will be considerable.

For further information please contact Mr. J. J. Gardner FCII, who is advising Whately Petre Limited on this appointment. His private telephone number is 01-623-8430 and strict confidence can be relied upon. Ref. 435.

WHATELY PETRE LIMITED, Executive Selection,
6 Martin Lane, London EC4R 0DL.

WPL

Financial Analysis

Circa £7000 Home Counties

Our client, a major international company marketing business equipment, has a vacancy for a financially orientated analyst in their Financial Planning Department. He or she will work as part of a dynamic, highly qualified team appraising and controlling large scale cost and revenue budgets, analysing product profitability and assessing the financial implications of proposed market strategies and pricing policy.

The appointment calls for a person of keen intellect with an eye for detail and the ability to solve practical business problems in financial terms. There are very real prospects of rapid career development into line or functional management, coupled with the opportunity to acquire invaluable experience in a large, modern and progressive company.

Candidates should be in their mid-twenties with around one or two years' commercial or industrial experience and hold a recognised qualification in accountancy and/or a degree in business studies, economics or other discipline calling for a high level of numeracy and analytical ability. The remuneration will be about £7000 p.a. together with normal large company benefits.

Please apply to Phil Hyson on 01-437 2515 (24 hour live answering service) or 01-734 4777 for a personal history form or send your curriculum vitae to the address below quoting reference: 261/FT.

Lunan
Management Selection Division

T.D.A. Lunan & Associates Ltd,
1 Old Burlington Street,
London, W1X 1LA.

Finance and Administration Manager

S.E. England c £9,000 + car + benefits

Our client manufactures and distributes ethical pharmaceutical products and requires a qualified accountant with relevant experience, aged around 35, to report to the Managing Director on all financial and administrative matters.

The company has an annual turnover of £3 million. Accounting systems are operated on the inhouse ICL 2903 computer and the accounts department produces monthly management accounts, profit and cash flow forecasts. The successful candidate (male or female) will be expected to develop the reporting and planning function and contribute to the future profitable growth of the business, especially overseas. Accordingly experience should include corporate and export financing with an understanding of the taxation implications.

With prospects of a board appointment as Financial Director, candidates should possess a strong commercial flair and should be interested in becoming a key member of the small management team.

Please apply in writing, quoting reference F8102, to: Stanley Chesler,

SH
Stoy Hayward Limited,
Management Consultants,
54 Baker St., London, W1M 1DJ.

Jonathan Wren · Banking Appointments
The personnel consultancy dealing exclusively with the banking profession

BANKING OPERATIONS

Our client, a North American banking and financial institution, is seeking an Operations Manager.

Priority will be to supervise a study of the company's systems requirements with particular reference to banking operations, board recommendations, overseeing and directing the design and application of new systems. The successful candidate should have a thorough knowledge of computer systems and be fully familiar with U.K. banking practice.

This senior appointment will command a five figure salary and appropriate fringe benefits.

To discuss this appointment in confidence, please telephone: NORMA GIVEN (Director).

170 Bishopsgate London EC2M 4LX 01-623 1266/7/8/9

Metals

Departmental Manager

This is a new appointment in London for a major international trading group already engaged in metal trading.

The requirement is for a person who has already filled a senior managerial appointment and has had long-standing experience of trading in physical metals.

Candidates must be capable of extending the Company's existing world-wide trading connections; they should be aged 35 to 50.

Terms by arrangement, but those qualified are expected to be earning up to £20,000 p.a. currently.

Please write briefly with relevant career details – in confidence – to S. W. J. Simpson ref. B.38283.

This appointment is open to men and women.

MSL Management Consultants
Management Selection Limited
17 Stratton Street London W1X 6DB

Director Designate

Finance and Administration

for a private company established in the UK by its overseas parent group in 1967, and now numbered amongst the top 7 importers in its field in this country. The company also trades extensively internationally, acts as importer and distributor and conducts third country deals. It employs 70; turnover is £35m. and it is profitable and currently negotiating further acquisitions.

Candidates should preferably be chartered accountants, age 33 to 45 with five years' previous experience in a similar business.

Initial salary £10,000 to £12,000 plus car. Given success early appointment to the Board is intended.

For more information and application form please telephone (01-629 1844 at any time) or write – in confidence – to G. V. Barker-Benfield ref. B.8145.

This appointment is open to men and women.

MSL Management Consultants
Management Selection Limited
17 Stratton Street London W1X 6DB

Accountants

Management & Financial

c £7,000

T. J. & J. Smith is one of Britain's long established manufacturers, publishers and exporters of social stationery leather goods and diaries and has recently become part of an expanding group of companies with a current turnover in excess of £5 million.

A Management Accountant is required for its H.Q. to play a key part in developing financial control. This involves preparing and improving management reports and budgets. An important addition will be to set up and administer a computerised stock control system. Candidates with strong personalities must be qualified and aged between 25-40 ideally with 2/3 years' experience in an industrial environment on standard costing.

A Financial Accountant is also required for this firm's H.Q. to prepare quarterly and annual accounts and to provide management information reports which will include budgets. forecasts and monthly board reports. Qualified candidates should have either been in a Chartered Accountant's office or had 2/3 years' experience on financial accountancy in an industrial environment.

For both positions prospects are very good for the right people.

Contact: Graham Edgar, London (01) 235 7030. Ext. 312.

Applications are welcome from both men and women.

PER
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& Executive
Recruitment

INSURANCE SPECIALIST

Panmure Gordon & Co. wish to recruit an analyst specialising in composite insurance, life assurance and insurance broking, to assist a partner of the firm.

The ideal candidate will be an actuary, a graduate or have another professional qualification, with a proven research record and a working knowledge of the insurance industry. The position will involve regular contact with insurance companies and will require the ability to communicate information, both verbally and in writing, to the firm's clients.

The remuneration and conditions of service will fully reflect the status of the post. All replies will be treated in the strictest confidence.

Please write to:

G. F. Hallwood Esq., Personnel Manager
PANMURE GORDON & CO.
9 Moorfields Highwalk
London EC2Y 9DS

Department Head

Sugar

to head the Sugar Department of a major international trading and manufacturing organisation, whose activities are spread throughout the world. It operates several commodity divisions, amongst which the sugar division is one of the most important.

The requirement is for a first class departmental manager having active contacts in international sugar markets. Responsibility will be to the Directors of the Main Board.

Candidates must be able to demonstrate several years' successful experience in a similar position, and should be in the 35 to 50 years age group.

Salary and emoluments negotiable around £20,000 p.a. or higher. Usual benefits. Location London.

Please write briefly with relevant career details – in confidence – to S. W. J. Simpson ref. B.38284.

This appointment is open to men and women.

MSL Management Consultants
Management Selection Limited
17 Stratton Street London W1X 6DB

Financial Services Manager

Computer Bureau

A major computer bureau in London with a turnover approaching £10m. and with over 500 employees has been expanding by 30% annually. Management re-organisation has created a need for a Financial Services Manager, reporting to the Managing Director who will have profit responsibility for the sale, systems design and programming of real-time services mainly for financial companies and organisations. Candidates should have similar management experience in computer bureaux or in data processing management in the financial services industry.

Salary around £12,000 plus car and attractive fringe benefits.

Please send brief details – in confidence – to David Bennell ref. B.43543.

This appointment is open to men and women.

MSL Management Consultants
Management Selection Limited
17 Stratton Street London W1X 6DB

Reed Executive

The Specialists in Executive and Management Selection

Financial Controller

S. Oxfordshire **to £15,000 + car**

Faced with the commitment to a high growth rate, largely through acquisition, and the provision of ample funds from its $b American parent, this young company supplying health care products now needs to further strengthen its highly motivated management team. The requirement is for an individual (ideally mid 30s) who will take full responsibility for all aspects of accounting and financial control and also play a significant role in new business development. Essential prerequisites include a formal accounting qualification, real breadth and depth of experience — including costing, but particularly the personal ability to make an effective impact in a fast-moving, dynamic environment. Remuneration, including a bonus element, is for negotiation.

Telephone 01-836 1707 (24 hr. service) quoting Ref: 0544/FT. Reed Executive Selection Limited, 55-56 St. Martin's Lane, London WC2N 4EA.

The above vacancy is open to both male and female candidates.

London Birmingham Manchester Leeds

SAUDI ARABIA

Kawneer Company inc. has management responsibility for an architectural aluminium Company in Saudia Arabia. The factory, consisting of extrusion press, anodizing, fabrication and casting, is now being built at Jeddah.

The Manager of Accounting

will have responsibility for financial planning, co-ordination and budgets, credit management, cost accounting, preparation and presentation of operating reports, departmental expenses, capital expenditures, financial and income statements, pay-rolls and supervision of administrative personnel.

We are looking for: Qualified accountants with at least three years experience in industry.

After training in the USA, the accountant will move to Jeddah in 1979. The contract period in Saudia Arabia is three years.

Interested applicants should write, giving full details of personal background and professional experience to:

Anil Tanna Alumax International Limited
Marlow House Institute Road
MARLOW Bucks SL7 1BN

CREDIT ANALYST

Iran Overseas Investment Bank

Iran Overseas Investment Bank Ltd. is an international consortium bank whose shareholders are ten major international American, British, French, German, Japanese and Iranian banks. The bank is active in the management of major international loans and syndications in all parts of the world, and in international banking generally.

The bank invites applications for an appointment as Credit Analyst in its Loan Syndications Department. The person appointed will be expected to undertake international banking and investment analyses, write economic reports and participate in the wider aspects of the work of the Department.

Applicants, preferably aged 25/30, should have a degree or equivalent qualification in Law, Economics or other relevant subjects and have had training in multinational account management, merchant banking or project finance, preferably with a major American bank.

Please reply by letter with details of CV and present salary to:

Mr. R. B. Taylor, Secretary,
IRAN OVERSEAS INVESTMENT BANK LIMITED,
120 Moorgate, London, EC2M 6TS.

Schlesingers

Specialists in the management of private, institutional and pension funds.

Assistant Fund Manager

Schlesingers have an exceptional opportunity for an additional Assistant Fund Manager, based in their Hanover Square, London, W1 offices.

Candidates, aged mid-20s, must have a minimum of 2 years investment experience, and a degree or professional qualification would be an advantage.

This is a challenging opportunity for an ambitious, hard-working person to join a successful and expanding investment management group. Funds under management exceed £100m and include the Schlesinger PIMS unit trusts, the Trident range of insurance funds, private client and pension funds.

Salary will be commensurate with age and experience and the position offers outstanding career prospects within the company.

Applications, which will be treated in the strictest confidence, must include a detailed curriculum vitae and should be addressed in the first instance to :-

K. G. Hersey, Director
Bastable Personnel Services Ltd
18 Dering Street London W1
Recruitment Consultants

Chief Accountant

South East Kent Negotiable £7,000

Here is your chance to fill a key management position within a company forming a major division of one of this country's most diverse public groups.

Our client manufactures some of the finest analytical equipment in the country, and their name is synonymous with technical excellence and quality. They are now seeking a Chief Accountant who will assume control of all financial and administration functions.

Reporting to the Divisional Director, you will be closely involved in the management of commercial aspects of the business, in addition to leading the financial team.

For this key post, you will be ideally between 28 and 45, qualified ACA/ACCA/ACMA with at least three years' experience in a manufacturing environment associated with an export-motivated company. You will have sound costing experience, knowledge of computerised systems and excellent leadership and communication skills.

A good package of benefits including generous relocation assistance, attractive location and good prospects for advancement make this an ideal career opportunity.

Phone me now Richard Foster,
Maidstone (0622) 677612,
PER, 5 London Road,
Maidstone, Kent.

Applications are welcome from both men and women.

PER
Professional
& Executive
Recruitment

QUALIFIED ACCOUNTANT

Mitchell Cotts Group, an international company, needs a Chartered Accountant for its Group Finance Department based in their City headquarters.

Candidates, probably in their 20's, should have a minimum of one years post qualification experience, a good examination record and large company audit experience. Some taxation or Price Commission submissions experience would be helpful.

The job offers the opportunity to work in the department which is at the centre of the financial management and control fo this diversified Group. The appointment is seen as a stepping-stone to future career development, either in a line or staff role, in the Head Office or a Subsidiary Company.

The initial salary will be not less than £6,500 p.a. plus attractive benefits.

Please write giving brief but comprehensive details of your career to date to:

Group Personnel Adviser,
Mitchell Cotts Group Limited,
Cotts House, Camomile Street,
London EC3A 7BJ.

MC

THE BRITANNIA GROUP
OF INVESTMENT COMPANIES

requires an

INVESTMENT ANALYST

Britannia Financial Services is an independent investment management group. It currently manages over £300m. for unit trusts, pension funds and insurance companies and private clients.

The Investment Analyst is expected to specialise in engineering, electricals and construction shares. He or she will work closely with the portfolio managers. An ability to generate ideas and to analyse the ideas of others is essential.

Applications, which will be treated in the strictest confidence should give details of education, experience and salary progression and be addressed to:

The Investment Director
BRITANNIA FINANCIAL SERVICES LTD.
3 London Wall Buildings, London EC2M 5QL

UNDERWRITER

MAJOR LEADING NON-MARINE LLOYD'S SYNDICATE is looking for highly motivated capable Underwriter. The ideal candidate will be well rewarded and there is great scope for advancement which will depend on performance. It is envisaged that initially the candidate will handle North American Facultative business.

Please reply, stating experience, to

Box K981, WALTER JUDD LIMITED,
(Incorporated Practitioners in Advertising)
1a Bow Lane, London, EC4M 9EJ.

هكذا من الأجل

Accountants for major exporting growth company

up to £9000; Buckinghamshire

These opportunities are with a science-based Company, a world leader in its field. Turnover is around £33 million, 80% from export. Annual growth has been about 20% and a continuation of that growth is planned.

As a result of this expansion the finance function is being re-structured and the following new appointments are to be made at the Company's headquarters in Buckinghamshire.

Site Accountant – Management Role

to be responsible for the planning, financial control, accounting services and purchasing functions at the Company's major U.K. manufacturing location. This is a key role in the management of the site.

Planning Accountant – International Role

to be responsible for the preparation and co-ordination of the Group's short and long term plans and the appraisal of major capital projects. This is a policy making and strategical role involving extensive contact with the Group's overseas subsidiaries.

Candidates, men or women must be experienced qualified Accountants in their 30's with the intellectual capacity to work with highly qualified professional staff from other disciplines. Career development prospects within the organisation are excellent.

Benefits include assistance where appropriate, with the cost of re-location.

Please telephone (01-629 1[illegible]4 at any time) or write – in confidence – for information. Ref. B.8142.

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A member of MSL Group International

INTERNATIONAL AUDITOR

West London based circa £10,000

Our client is an American controlled international business, manufacturing and marketing a sophisticated range of electronic, audio visual, video, photographic and business equipment; distribution is through an established network of overseas distributors and subsidiary companies.

This is a new post based West of London and reporting direct to the Corporate HQ in Chicago; the primary responsibilities will be for financial and operational audits covering mainly the European Sector. Duties will also include special studies and investigations and recommendations on policies, procedures and programmes concerning relevant legislation and the development of management systems and controls.

The tasks are very demanding and require a high level of initiative, co-operation and commitment in a multinational environment involving considerable overseas travel. The prospects are excellent and the right man or woman may expect promotion, in Europe or the U.S.A., in approximately 2 years.

The successful candidate will be a qualified accountant probably aged 26-35 with post-qualifying experience of internal audit in a commercial/industrial company, *OR* in a practising firm where full exposure to major operational groups and sophisticated reporting systems has been gained. Knowledge of current American accounting principles and techniques would be an advantage.

For an application form and more information please contact Peter Dawson or Nigel V. Smith A.C.A., quoting reference 2181.

Commercial/Industrial Division

Douglas Llambias Associates Ltd.
Accountancy & Management Recruitment Consultants,
410, Strand, London WC2R 0NS. Tel: 01-836 9501
121, St. Vincent Street, Glasgow G2 5HW. Tel: 041-226 3101
3, Coates Place, Edinburgh EH3 7AA. Tel: 031-225 7744

DLA

CHIEF EXECUTIVE

NEW IRELAND

New Ireland Assurance Company Limited, with Head Office in Dublin, is one of the largest assurance companies in Ireland. with assets in excess of £75 million.

The Company invites applications for the position of Chief Executive who will participate at Director level in the development of company policy and will be responsible for the overall management of the Company in accordance with the policy agreed by the Board of Directors.

This is an exceptionally challenging positon and requires a highly qualified and experienced person, presently holding a senior administrative position, preferably with an Insurance, Actuarial or Financial background.

The post carries an attractive salary to be negotiated and excellent fringe benefits.

Please telephone on confidential line 755652 or write to M. Spellman, in strict confidence, quoting Reference No. 1598/G at Harcourt House, Harcourt Street, Dublin 2.

Stokes Kennedy Crowley
MANAGEMENT CONSULTANTS
DUBLIN, BELFAST, CORK, & LIMERICK.

Financial Controller

Central Africa £12,500+Car

A vacancy exists for a Financial Controller within a large, well established, computer backed organisation.

The size and complexity of this company, and therefore the resultant scope of this particular job demands candidates who are mature, qualified Accountants, with proven experience at senior level in a large industrial organisation. Salary is negotiable at the £12,500 p.a. level (at current exchange rate) The initial contract is for three years.

Attractive expatriate inducements form part of an overall package which is very rewarding.

Write with brief details of your career and background to:– Jayandel International Ltd., 10 Wallside, Barbican, London EC2Y 8BH.

Jayandel International Ltd

BANK OF ENGLAND RETURNS CLERK with federal reports exp. reqd. by International Bank in the City. Age range 20s. Salary c £5,000 + Excellent Perks inc. 2½% Mortgage facilities. Ring 283 6022 immediately for appointment. VPN Employment (Agency).

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We require a dealer with at least two years' experience in Euro-Currency Deposits and Foreign Exchange Dealing.

Salary will be negotiable entirely dependent upon the person. In addition we operate a House Mortgage Scheme, Non-contributory Pension Scheme and free Life cover.

Please write giving details of your experience and career to date to:–

The Assistant Staff Manager,
Kleinwort Benson Limited,
20 Fenchurch Street, London, EC2P 3DB.

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YOUNG QUALIFIED ACCOUNTANT

Required by a U.K. based Knitwear Company with overseas operations, for position as Assistant to the Company's Group Accountant. Will be required to assume varied responsibilities within the Accounts Department based at Sanderstead, Surrey, reporting to both the Group Accountant and the Board of Directors. A salary in the reigon of £7,000 p.a. will be offered to the successful applicant. Please apply confidentially in writing to the Financial Director of:

MARY FARRIN LIMITED
at Westgate House,
Chalk Lane,
Epsom,
Surrey, KT18 7AJ

FINANCIAL CONTROLLER CHIEF ACCOUNTANT

LONDON

U.K. Company, part of an International Travel Group, requires a qualified accountant with specific experience in the travel industry.

Areas of responsibility will include:—

- Financial Control
- Cash Flows
- Accounts and Administration
- Systems Development

A knowledge of computers and computer application will be an advantage although not essential.

Excellent opportunity for an imaginative young man or woman who seeks expression and fulfilment in a dynamic and exciting environment.

Replies with curriculum vitae to: Box A.6403,
Financial Times, 10, Cannon Street, EC4P 4BY.

Systems Accountants

West of London

Our Clients are a major division of a leading multinational company involved in the manufacture and marketing of sophisticated technical products. They are in the process of rationalising the financial reporting systems currently in use at their international manufacturing and warehousing locations, and want to recruit the following personnel.

Systems Consultant

to £8,500

Acting for user finance departments, he/she will interface with Head Office Systems Department in identifying, defining and implementing financial systems. Applicants probably aged 25-30 will be qualified accountants or Business School Graduates, with at least four years detailed involvement in the use of computerised financial systems in multinational companies. There will be frequent travel, both within the UK and Europe. *Ref: 24116/FT.*

Systems Analyst

to £7,000

This is a group financial role involving the maintenance and control of financial systems operating throughout the group. Applicants, in the middle 20's will be qualified accountants with at least three years detailed involvement with computerised financial systems. There will be occasional travel within the UK and Europe. *Ref: 24117/FT.*

C.G. Moores,
Male or female candidates should telephone in confidence for a Personal History Form to:
MANCHESTER: 061-236 8981, *Sun Life House, 3 Charlotte Street, M1 4HB.*

Hoggett Bowers
Executive Selection Consultants
BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE, and SHEFFIELD.

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Due to an expansion in our foreign exchange activities we require the following staff.

Experienced Spot Brokers

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Telex Operator with a knowledge of Foreign Exchange

apply in writing in strict confidence giving full details to:—

**Miss Karen Smart, Guy Butler (International) Ltd.,
Adelaide House, London Bridge, London EC4R 9HN.**

Chief Accountant

West London to £8,500

A rapidly expanding international group who provide services worldwide to the offshore oil industry, is strengthening the management of its administration centre. This is now being relocated to pleasant offices conveniently situated in West London.

The Chief Accountant will be responsible to the Financial Director for financial and management accounting, budgeting and planning, cash control and various ad hoc exercises. He/she will be supported by a small staff.

Qualified accountants, probably aged 28-35 with relevant commercial or professional experience can expect to enhance their career development and personal prospects by joining this enterprising and successful management team. Benefits include relocation expenses where relevant, a substantial bonus and an early salary review.

Write in confidence, quoting reference T878/FT and enclosing personal and career details to R.J. Mooney.

AYMS
**Arthur Young Management Services
Rolls House, 7 Rolls Buildings
Fetter Lane, London EC4A 1NL**

Reed Executive
The Specialists in Executive and Management Selection

Company Secretary Designate

Northern England **c £8,500 + car and benefits**

The client is an old-established public company with a healthy growth and profitability record. The vacancy occurs following the promotion of the present incumbent and the appointment covers the full range of statutory and administrative responsibilities including substantial involvement with the legal aspects of property. The most suitable candidates will be Chartered Secretaries or possess a Law Degree and should show evidence of progression and success in a related role. They must also have considerable conciliatory and other interpersonal skills. This is an opportunity to join a congenial and successful executive team and there are attractive fringe benefits.

Telephone 0532 459181 (24 hr. service) quoting Ref: 3354/FT. Reed Executive Selection Limited, 24-26 Lands Lane, Leeds LS1 6LB.

The above vacancy is open to both male and female candidates.

London Birmingham Manchester Leeds

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CJRA

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CITY **INTERNATIONAL CONSORTIUM BANK** **£6,000 - £6,000**

We invite applications from candidates, male or female, aged 23-27, who have acquired between 2 and 4 years' experience in Credit work and documentation associated with Eurocurrency credits. The successful candidate will be responsible for regular credit review on existing medium-term loans, as well as new proposed facilities, etc. A personable manner, plus a flexible yet commercial outlook sufficient to warrant further promotion is important. Initial salary negotiable £6,000-£8.000 + house-loan facility, personal loan facility, non-contributory pension, free life assurance, free family BUPA. Applications in strict confidence under reference CO10386/FT will be forwarded unopened to our Client: unless you list companies to which they should not be sent in a covering letter marked for the attention of the Security Manager:

CAMPBELL-JOHNSTON RECRUITMENT ADVERTISING LIMITED, 35 NEW BROAD STREET, LONDON EC2M 1NH.

Divisional General Manager

TRADING

Yemen Arab Republic **c. £18,000 tax free plus benefits**

For the Hayel Saeed Anam Group, a major and diversified organisation with manufacturing, commercial and trading activities, employing about 4000 people and operating primarily in the Yemen Arab Republic.

Reporting directly to the chief executive he will have full profit responsibility for the Group's trading and commercial operations. He will work closely with the general manager of the industrial division, the group financial controller and the group personnel and administration manager who come from the U.K.

Candidates, ideally aged 40 to 45, must have several years general management experience in a similar organisation and should have worked in a developing country. The ability to speak Arabic would be a distinct advantage.

In addition to the basic salary, generous fringe benefits are offered including a rent free house, electricity and water, car and annual leave with return air passages for the appointee and his family. Write in confidence, quoting reference 3062/L, to M. D. O'Mahony,

Peat, Marwick, Mitchell & Co.,
Executive Selection Division,
165 Queen Victoria Street,
Blackfriars, London; EC4V 3PD.

F.X. Dealer

City based UK Merchant Bank seeks F.X. Dealer with at least 2 years experience.

Salary c.£10,000 + usual banking benefits.

For further details please telephone Yvonne Emmerson-Fish. Ref. 1070

Lloyd Chapman Associates
123, New Bond Street, London W1Y OHR 01-499 7761

DOCUMENTARY CREDITS

We are seeking an experienced Documentary Credits Clerk to work in our small but expanding Department. Aged in your mid-20's you should ideally possess several years' relevant experience of opening credits and payment of documents. On occasions, you would be expected to deputise for the Supervisor.

An attractive salary will be negotiated; excellent fringe benefits.

Please write stating your current salary and enclosing a detailed c.v. to:– Chris Taylor. Personnel Officer. Saudi International Bank, 99 Bishopsgate, London EC2M 3TB.

البنك السعودي العالمي المحدود
Saudi International Bank
AL-BANK AL-SAUDI AL-ALAMI LIMITED

Management Accountant

Matthews Wrightson Holdings Limited is a major international group of companies operating in Insurance Broking, Insurance Underwriting, Shipping, Air Broking and Rural Land Use. Income for 1977 exceeded £65.5 million and profits approached £8.5 million.

As a result of the continued growth of the Groups activities we wish to strengthen the Head Office accounting team with an additional professionally qualified accountant.

Reporting to the Group Financial Director the Management Accountant will be concerned with:

- **Monitoring the performance of the non-insurance businesses.**
- **Financial planning for the Group.**
- **Cash flow forecasting and control.**
- **Taxation planning.**
- **Financial project work.**

Overseas travel from time to time may be necessary.

The role requires:

Professional qualification – CA or ACA
Allround accountancy experience in a large professional office or similar experience in the Head Office staff of a substantial Group of Companies.
It is likely therefore that suitable applicants will be around 30 years of age.

The appointment offers genuine opportunity for career development in an exciting and demanding environment. Salary will be around £8,000.00 per annum and, in addition, the Group offers attractive benefits.

Applicants should write, giving details of their career achievements and aspirations to:

K C F Lathrope Group Personnel Director
Stewart Wrightson (Services) Limited 1 Camomile Street
London EC3A 7HJ

FORIEGN EXCHANGE

FOREIGN EXCHANGE & STERLING DEALERS (with gilts exp.)

age 25ish, £7,000-£8,000

FOREIGN EXCHANGE, STERLING, INSTRUCTIONS & SETTLEMENTS STAFF, age 20+, £4.000

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AGENCY

ACCOUNTANT

BERMUDA

Ref: No. 36731

Major Insurance Group requires a qualified CHARTERED ACCOUNTANT for their Bermuda office. Excellent conditions of service. Age group approximately 27/35 years. Salary $18,000 p.a.

Please telephone in confidence:—

EILEEN MILLER
I.P.S. Group
(Employment Consultants)
01-481 8111

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839-6542

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VACANCIES IN BARCLAYS BANK LIMITED INVESTMENT MANAGEMENT

Overseas Portfolio Manager

The Pension Fund of Barclays Bank Limited has a substantial involvement in overseas stockmarkets and requires a portfolio manager to undertake the day-to-day management of these investments.

The successful applicant will probably have a professional qualification but certainly will have a wide knowledge and experience in the major overseas stockmarkets.

Salary will be around £9.500 p.a. and the many fringe benefits include a non-contributory pension scheme, and house purchase and profit sharing schemes, plus a company car.

Fixed Interest Portfolio Manager

The Fund also has a large involvement in all varieties of fixed interest securities. A portfolio manager is required to operate the day-to-day managerial functions of this portion of the Fund. In addition, the successful applicant will provide a back-up to the management of the Bank's portfolio of British Government Stocks. A sound knowledge of the fixed interest markets is obviously essential but experience is of prime importance.

Salary will be around £8.350 p.a. and the many fringe benefits include a non-contributory pension scheme and house purchase and profit sharing schemes.

Replies in confidence can be directed to:

Mr. G. E. Hall,
Investment Manager,
Barclays Bank Limited,
54 Lombard Street,
London EC3P 3AH.

BARCLAYS

Anchor Butter, Bacardi, British Rail, Beechams, BAT, Carreras Rothmans, Clarks Shoes, Cadbury's, Elida Gibbs, Courtaulds, Dunlop, Electricity Council, English Tourist Board, Gallahers, Grants of St. James, Gillette, Hennessy, Halfords, Hitachi, Health Education, Kodak, Midland Bank, Milk, Mothercare, Monte Cristo Sherry, National Savings, Pilkington Glass, Rowntree Mackintosh, Scholl, Stella Artois, Sharp Electronics, Reckitt & Coleman, W. H. Smith, Smirnoff, Time Life, Thomson Holidays, White Horse Whisky, Yamaha.

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They're just some of the famous names who advertise in Weekend Magazine and reach nearly 3.5 million people, a third of them in the 15-34 C_1 C_2 group.

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WEEKEND

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£7,000 to £8,000 range

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A University education in economics or finance followed by two or three years in the corporate finance or corporate planning department of a large company is the minimum essential requirement. Responsibilities will include monitoring of capital expenditure, long and short term planning and financing, financial modelling and analysis of trends and variances and their impact on trading and profit etc. (6255)

Applications in confidence quoting appropriate ref. number to E. C. Smith, Mervyn Hughes Group, 2/3 Cursitor Street, London EC4A 1NE. Tel: 01-404 5801 (24 hours).

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COMPANY NOTICES

CREDIT LYONNAIS

US$30,000,000.—1977/83
FLOATING RATE NOTE ISSUE

Bondholders are hereby informed that coupon no. 3, representing the third six-month period of interest starting from 24th June, 1978 to 23rd December, 1978 inclusive will be payable as from December 24th, 1978 at a price of $47.66 per coupon. This amount corresponds to a yearly interest rate of 9.3% worked out on a basis of 183/360th.

The Fiscal Agent,
CREDIT LYONNAIS-LUXEMBOURG

EAST RAND GOLD AND URANIUM COMPANY LIMITED

CLOSING OF REGISTERS

For the purpose of the annual general meeting and general meeting of East Rand Gold and Uranium Company Limited to be held at 44 Main Street, Johannesburg, on Friday, July 21 1978, at the times stated below, the transfer registers and registers of members of the company will be closed from July 15 to July 21 1978, both days inclusive:

Time of annual general meeting 09H30
Time of general meeting 09H45*

* or immediately following the termination of the annual general meeting, whichever is the later.

By order of the Board
Anglo American Corporation of South Africa Limited
Secretaries
Per: J. E. Townsend
Senior Divisional Secretary

Transfer Secretaries:
Consolidated Share Registrars Limited
62 Marshall Street
Johannesburg 2001
Postal address:
P.O. Box 61051
Marshalltown 2107

U.K. Transfer Secretaries:
Charter Consolidated Limited
P.O. Box102
Charter House
Park Street
Ashford
Kent TN24 8EQ

Registered Office:
44 Main Street
Johannesburg 2001
Postal address:
P.O. Box 61587
Marshalltown 2107

June 29 1978

BAYER AKTIENGESELLSCHAFT

PAYMENT OF DIVIDEND

NOTICE IS HEREBY GIVEN to shareholders that following a resolution passed at the Annual General Meeting of shareholders held on 27th June 1978 a Dividend for the year 1977 of DM.6.00 per share of DM.50 nominal will be paid as from 28th June 1978 against delivery of Coupon No. 34.

All dividends will be subject to deduction of German Capital Yields Tax of 25%.

The net amount of dividend is payable in German Marks. Paying Agents outside Germany will pay in the currency in which the coupon is presented at the rate of exchange of the day of presentation.

Coupon No. 34 may be presented as from 28th June, 1978 at the Company's Paying Agents in the United Kingdom:—

Hambros Bank Limited.
Hill Samuel & Co. Limited.
Kleinwort, Benson Limited
S. G. Warburg & Co. Ltd.

from whom claim forms may be obtained.

United Kingdom Income Tax will be deducted at the rate of 19% (19 pence in the £) unless claims are accompanied by an affidavit.

German Capital Yields Tax deducted in excess of 15% is recoverable by United Kingdom residents. The Company's United Kingdom Paying Agents will, upon request, provide authorised depositaries with the appropriate form for such recovery.

BAYER AKTIENGESELLSCHAFT
Leverkusen.
29th June, 1978.

PUBLIC NOTICE

NOTICE

To whom it may concern.

NOTICE IS HEREBY GIVEN that Mr. Di Medio was never officially and legally authorised by our company to act for or on its behalf. Our company, therefore, will not be bound by any agreements/instruments purportedly entered into by Mr. Di Medio on behalf of our company.

Bancom International Limited, H.K.
28th Floor
Connaught Center
Hong Kong

CITY OF BRADFORD METROPOLITAN COUNCIL

Bills amounting to £2,500,000 were issued on 21 June 1978 for maturity on 20 September 1978 at a rate of 9 11-64ths%. Applications totalled £18,500,000. Bills outstanding total £4,500,000.

NOTICE IS HEREBY GIVEN that Ebrahim Yusoof Bawa of 15 Stratton Road, Gloucester, is applying to the Home Secretary for naturalisation and that any person who knows any reason why naturalisation should not be granted should send a written and signed statement of the facts to the Under Secretary of State, Home Office (Nationality Division), Lunar House, Wellesley Road, Croydon CR9 2BY.

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EVE, 189, Regent Street. 734 0557. A la Carte or All-in Menu. Three Spectacular Floor Shows 10.45, 12.45 and 1.45 and music of Johnny Hawkesworth & Friends.

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هكذا من الأجل

The Marketing Scene

EDITED BY MICHAEL THOMPSON-NOEL

Perrier's challenge starts to fizz

The Perrier Group is beginning an attack on the £1bn edifice of the soft drinks market. MICHAEL THOMPSON-NOEL reports

EAU-LA-LA INDEED. Athletes, art dealers and advertising persons do it. The pretty young things who write *Vogue* do it. John Travolta and Christine Evert probably do it. And in Vichy the other evening, in the nightclub at the Casino at a delicately late hour, I was seen to do it—order Perrier, that is, in preference to champagne.

Perrier? Quite.

There are two ways of looking at Perrier. According to the ad writers: "The miracle of Perrier is natural carbonation. Deep below the plains and vineyards of the South of France, in a mysterious process begun over 140 million years ago, delicate gasses trapped in the volcanic eruptions of the Cretaceous Era are released by Nature.

"As they rise, they meet and mingle with icy, crystalline mineral waters of exceptional purity and clarity. There, underground and out of sight of Man, the natural phenomenon of Perrier's carbonation takes place. And from there, the now sparkling waters continue their ascent to break the surface at a single spring: Source Perrier."

An alternative, more hand-me-down, way of looking at Perrier is to describe it as a naturally carbonated water that rises at a spring in the village of Vergèze, is sealed in those art deco, green bowling-pin bottles and then sent forth on a remarkable odyssey to markets as diverse as the U.S., Belgium, Morocco and the Caribbean. In Britain, Perrier's 9th biggest export market, it sells at anything from around 32p per litre at Tesco's or Sainsbury's, maybe 39p at a delicatessen and up to £1 in a restaurant.

Those are very fancy prices for bottled water. But then Perrier is the natural star in a very fancy market—so much so that the Perrier Group at Vergèze is at present spending countless numbers of francs in order to double capacity at the plant from 400m bottles a year to 800m, largely because of rocketing sales in the U.S.

In Britain, says Perrier, sales of imported bottled waters this year are likely to reach 11.2m bottles of which the Perrier Group's three brands, Perrier, Vichy and Contrex, will account for around 6.8m bottles. Add on 2.4m bottles of home-bottled product and you've got a market worth £5m that is growing by the hour. Perrier says total sales should reach 66m bottles (imports: 60m) worth £20m at 1978 prices by 1983, of which the Perrier Group expects to be handling 33m bottles.

That's a lot of bottled water, with imports making most of the running and the Perrier brand itself—whose sales growth since 1972 has averaged 40 per cent per annum—leading the way. Perrier sales in Britain are handled by Acqualac Spring Waters in which Perrier and Jules Bowes Ltd. have a 70 per cent stake, Cadbury Schweppes the other 30. (Acqualac Alimentaire is the company which launched La Bonne Vie, the U.K.'s leading brand of French dairy products.)

The U.K. market for bottled waters shapes up like this: The top six imported brands—Perrier, Vichy, Evian, Volvic, Isabelle and Contrex—have an estimated combined market share of 70 per cent. Next, five domestic waters—Malvern, Aqua Pura, Ashbourne, Champneys and Fairlawn—hold an estimated combined 20 per cent. Finally, a score or more of lesser waters such as Apollinaris, San Bernardo, St. Pellegrino and St. Leger, account for the remaining 10 per cent.

According to Acqualac managing director Julian Bowes, whose career includes senior management appointments at Unilever, Tate and Lyle and RHM as well as an exotic interlude as a cruise boat charterer in the Seychelles: "The British are quickly learning to distinguish between genuine mineral waters and local tap water substitutes, some of which are artificially carbonated. The U.K. has no springs that are naturally carbonated, and the few springs that we do have are mostly saline, sulphurous or chalybeate (strong in iron).

"Perrier, on the other hand"—this is where Mr. Bowes begins to chart the huge marketing aspirations of the Perrier Group—"is a pure, naturally sparkling water. It provides a refreshing, stylish alternative to the synthetic tedium of most soft drinks. It is a complementary mixer to white wine, whisky and other spirits as it enhances the taste of the alcohol. And it is a delicious tablewater which complements good food and wine."

In other words, Perrier is being positioned right in there alongside and indeed up against the colas, the squashes, the mixers, the juices, the low-cals, the Lucozades and what-have-you's that together constitute the £1bn edifice of the U.K. soft drinks market.

Indeed, Perrier's mid-term objective (circa 1985) is to capture 1 per cent of total soft drinks sales, though that seems optimistic. A target of 1 per cent is also its objective in the U.S. where Perrier's U.S. subsidiary, Great Waters of France, hopes to sell 60m bottles this year compared with 21m last year. In 1977, Perrier had an estimated 2 to 3 per cent of the $200m U.S. bottled water market, though 60m bottles this year (4m to 5m cases) would still only represent the equivalent of 0.1 per cent of total soft drinks. (For perspective, 5m cases is about one-seventh of Schweppes' U.S. sales.)

Great Waters is selling wherever it can—at Regine's in Manhattan, from vending machines at Santa Barbara gas stations, from hot dog wagons opposite Brooklyn's Borough Hall and in six-packs in supermarkets from Florida to New England. Great Waters' president, Bruce Nevins—he is not a shy man—reckons Perrier has struck a chord among Americans worried about sugar and artificial sweetners in soft drinks, and recently asserted that Perrier would spend $6m on advertising this year ($4m-plus is thought more likely). According to a New York analyst's report I have: "Perrier should enjoy an unchallenged market vacuum for the next year or more. It it not yet large enough to draw retaliatory tactics from soft drinks. Given the public's current health interests, Perrier is in the right place at the right time."

Although Perrier's print ads stress that Perrier has no calories, no chemicals, no chloride, preservatives, sweeteners, flavourings or additives of any kind and is bottled straight from nature, U.S. market experts are not convinced that Perrier will grab its 1 per cent, stressing that 1 per cent of $10bn is a very big piece of action requiring considerable promotion and a great deal of stamina.

Similar reservations and market conditions apply in Britain, although Perrier is unquestionably the in drink right now. In London there is barely a conversation worth listening to that isn't being lubricated by those tiny cretacious bubbles. Acqualac has been busy. According to Mr. Bowes, take-home sales now account for three out of four Perrier sales. It is available at an estimated 6,000 licensed retailers, including Augustus Barnett, IDV Retail and Victoria Wines, as well as 3,000 grocery outlets and numerous major hotel and restaurant chains.

The target audience for now is ABC1 adults in London and the South East, which between them account for 86 per cent of sales. Poster, Press and radio advertising this year via Leo Burnett will top £160,000 and will be based on the consumer proposition that a discerning lifestyle is incomplete without the pleasure of Perrier to refresh you purely, mix with your alcohol perfectly or share your table stylishly. (That's how they phrase these propositions.)

Part one of the strategy will be to present the brand in all its versatility. Part two will be to continue to educate and reassure via reference to Perrier's origins and history.

That would have cheered Napoleon III, who in 1863 ordered that the waters from Vergèze be bottled "for the good of France." These days, Napoleon, they sell it at Safeway and Waitrose in what they call tri-packs that cost 49p.

In 218BC, Hannibal and his troops are thought to have splashed around at Source Perrier. Later, the Legions built the Temple of Diana at Nimes and ran the Perrier waters into a vast pool that was used for medicinal horseplay. Today, for the spring's protection, the French Government forbids the digging of any well within ten kilometres of Source Perrier. Is there any danger of those lucrative little bubbles running out—of Perrier running dry? Executives at Vergèze shake their heads in amused disavowal. At the extraordinary rate at which they are adding on new bottling capacity, they had better be right.

Now Pan Am grounds JWT

J. WALTER THOMPSON is no longer one of Pan Am's people, having been brushed off the short list of agencies now scrambling for Pan American World Airways' $32m account, writes **Michael Thompson-Noel.** The first casualty in the Pan Am saga was Ally and Gargano, which was shorn of Pan Am's $12m domestic U.S. business five weeks ago. Now JWT has been eased out of the race, losing more than $20m worth of overseas Pan Am business.

For the JWT agency in London this represents a MEAL-type loss of nearly £600,000. JWT managing director John Lindesay-Bethune said yesterday that the JWT Group in London was nonetheless already showing a 20 per cent. revenue gain over the first six months of this year and a net gain on billings of £4m. Group billings this year should reach £80m.

● **LEVI STRAUSS AND CO.** has centralised its entire European account, worth around $10m, with McCann-Erickson, which already handles Levi advertising in Britain, Sweden, Norway and Denmark. The agency losing out in Germany, France, Italy, Holland, Belgium, Austria, Switzerland and Spain is Young and Rubicam. According to the International Institute for Cotton, the European jeans market moved from around 38m pairs in 1970 to 172m in 1976: Levi is facing a big battle with Mr. Wrangler.

● **CAMPAIGNS AND ACCOUNTS:** The Guardian is switching its advertising from The Creative Business to JWT. At the same time, London Broadcasting has moved from Lintas to The Creative Business . . . The launch campaign for Cinzano Rosé, via CDP, moves to national posters and TV on July 1. Cinzano is spending a total of well over £1m this year . . . Benton and Bowles has lost the £120,000 Save the Children Fund business to Ayer Barker Hegemann . . . Rank Hovis McDougall's £300,000 account for Saxa and Cerebos salt has gone to Masius.

ILR moves ahead

ITS REVENUES are rising. It is starting to make profits. And this week Britain's independent local radio network announced significant audience gains following a £100,000 RSGB survey conducted between April 3 and 30. This showed a total weekly ILR audience of 17m; a gain of 940,000 adult listeners per week against last year; average listening up by 48 minutes per week to 13.2 hours; an 11 per cent. increase in total ILR listening hours per week (to 186m) and a weekly reach that has now achieved 50 per cent. three points higher than in 1977.

As usual, the BBC has chosen to disagree with some of the main JICRAR findings, but as the BBC long ago lost credence in the audience research dispute, few are minding.

For the first time the ILR network has polled its child audience, and discovered it has 2.9m listeners each week in the 5 to 14 age group.

According to RSGB, one-third of all listening hours within ILR areas can now be attributed to commercial radio. In terms of audience reach, the biggest percentage gains over the past year were made among women and housewives (each five points higher at 48 and 45 per cent respectively), 15-to-24-year-olds (+6 per cent at 72 per cent) and ABC1's (+3 per cent at 47 per cent).

What ILR likes to call its improved brand position seems certain to lead to a round of rate hikes. Current maximum costs per 30 seconds (prime segment) range from £13 at Plymouth to £86 at Clyde to £179 at Capital.

Capital said yesterday that its increase in listeners—750,000 in the last year for a total of 5m—meant it was providing even better value for advertisers. The station said it was selling air space at 18p per 1,000 compared with 22p a year ago and that weekday prime time was down 5p to 29p.

The network's advertising revenue last year was £23m. The 1978 total is likely to reach £30m, a gain of 30.4 per cent, comfortably ahead of the 20-22 per cent increase in total ad revenues now expected this year.

Cannes: fiesta of 1,600 blandishments

JOHN SIMMONS at the 25th International Advertising Film Festival

A PRESIDENT CARTER look-alike raises his glass of Japanese Suntory brandy for 30 seconds and addresses the assembly: "Let all people be friends together, let us laugh together, and let us drink together!" They gave the casting director a special diploma.

In turn, the real president of the Screen Advertising World Association, Ernie Pearl, famous for inventing the most successful promotion for boosting screen advertising, declared the 25th World Advertising Film Festival in Cannes a pleasing success except for the mistral that blew out the fireworks at the awards night ceremony.

Delight and dismay intermingle at what is one of the most exciting and provocative trade events in the advertising man's schedule: 2,000 leaders of the international advertising industry crowding together at the Palais des Festivals to examine, evaluate and enjoy arguing about 1,600 TV and cinema commercials at a fiesta where no entry is rejected.

Professional persuaders of many persausions scrutinise each other's techniques and strategies of creative selling and influence, assuming airs of indifference to award-hunting but privately praying to be seen to be recognised.

The value of the ordeal, if you have the stamina plus £100 for the delegate's fee, £80 for each entry and the subsidy for an over-priced week in the South of France, is the opportunity to observe and study a parade of life-styles as reflected by attitudes toward products that nourish the lives of different peoples, and to be stimulated by many of the best creative ideas that make products sell.

Many of the principal gold and silver award winners at these festivals are not always, in fact not often, advertisements for brand leaders; usually they are the curious, the novel, the anarchic and jokey. More of the successful sellers are to be found among bronze and diploma awards, the latter highly coveted as the jury pick out only a few for special commendation from the charge of 1,600.

After five long days of viewing and re-viewing, unshaven, red of eye and tired of tongue, 18 famous creative directors emerge from their dark jury chamber, proud of their labours and discernment, to face the indignant wrath of 2,000 fellow jurors.

How did the jury misjudge this year?

First the two grand prix: both old yarns, newly spun. The Grand Prix for Cinema went to France for Waterman Pens, a classroom melodrama with an eight-year-old lad losing his heart and his pen to a bitter-sweet seductress at the next desk.

The Grand Prix for Television went to Great Britain for L'Aimant perfume, wherein a lesson in basic French is given, featuring desirable girl and desiring lover. Very nicely directed anectodage by veteran Hugh Hudson; compliments to the Boase Massimi Pollitt Univas agency.

British advertisers, agencies and producers showed the rest of the world how to win awards and influence people with no less than six TV golds (double last year's haul) from a pot of 15—France took three, the U.S. and Spain a couple each—plus 20 of the 30 TV silvers, a vast bounty of bronzes and 14 of 23 diplomas.

In cinema, France was the conqueror, and impressively. Gold: France 2, UK 1; silver: France 10, UK 2. It is a curiosity that French cinema advertising seems so very much more confident than our own, and that they exploit the medium more fully. It has been this way since the very first festival in 1954 when from 800 cinema films, dominated by cartoons and puppets, France won awards for the best series (Camay Soap), the best colour, for Rochas, the best photography, for Valisere lingeries, and the award for effectiveness and originality for Mon Savon soap.

However, in the midst of awards given only for brilliant production techniques, Ernie Peal realised that the producer-delegates depended on the agency-delegates for their livelihood, and shrewdly suggested an award for advertising impact which was promptly scooped up by Britain with a cartoon series for Polo mints.

Bursting, popping waistbands, belts and shirt buttons for Heinz Sponge Pudding: a *Cannes gold* for Doyle Dane Bernbach's Alistair Crompton and director Barry Myers.

It took a further dozen years for the organisers to realise that the product was more important than the production and to introduce categories of products instead of film techniques.

Agencies yearn for originality, and it's very useful when it's relevant. A refreshing entry this year came from the agency that has influenced so much original thinking, Doyle Dane Bernbach, featuring Heinz Sponge Pudding and a slap-happy sequence of bursting, popping waistbands, belts and shirt-buttons intercut with carefree close-ups of enjoying the pud—a gold breakthrough from scriptwriter Alistair Crompton and film director Barry Myers.

What of some of the other winners?

Saatchi and Saatchi, as expected, scored many times over, but the Schweppes series of double-talk and switching tonics in a tunnel did not do much to re-establish or develop product personality—the suggestion that the effervescence would last through 17 tunnels was not very helpful. The agency fared better with its immensely persuasive Evening News Classified ads.

Collett, Dickenson, Pearce did well with Leonard Rossiter's traffic warden, sponsored by Parker pens; won another prize for Fiat; a highly popular award for Arthur Lowe's Mr. Rawlings and a fourth for Hamlet Cigars' splendid Gold Robot assembly-line, originally produced for the cinema to accompany the release of Star Wars and Close Encounters.

McCann-Erickson enjoyed even more close encounters with this festival's awards than usual with eggs galore, applause and uproar for Connie Francis's 20 Greatest Hits and those definitive commercials in the jeans war, Route 66, for Levi's. The word is confidence.

Foote Cone and Belding needed all the giant girth of creative director Len Sugarman to hoist gold and silver for its dramatic Daily Mail series, plus more metal for The Perfect Dunking Biscuit and Fly the Tube.

Of the open diplomas, the warmest reception was given to 60 dazzling seconds of superb editing and fast-moving multi-imagery by Paris Match, contrasting vividly with the wordy, slack Sunday Times series; to Young and Rubicam's hilarious art-deco direction of Bertie Wooster's set and suit for Croft's Original Pale Cream Sherry; to the bold and beautiful Berlei Secrets neon trio, directed by Tony Scott, and to William Rushton's performance for the new, smaller but bigger "Japanese" London Weekly Advertiser.

Give the short lists, or even the entire lists, to a different jury and there would be some different results — perhaps including the COI's Pedal Cycle Song and the lorry-drivers deserting their greasy cafe unrecognisably cleaned up with Ajax. As for me, I'm with the Woolwich.

Some were rudely booed (Chanel's woman in a man's club, par exemple), others loudly cheered (Pascal's Hanky Panky, with Arthur Lowe magnificently misunderstood), but none so totally and enthusiastically received as the unexpected Spanish series for Equality of Women, sponsored by the Spanish Minister for Culture, a surprisingly effective declaration of liberation and humanism.

As the sun set on the seventh day over the cruel Croisette, where FFr 12 for a beer made on recall the rush of commercial's proclaiming milk's superiority over ale, 2,000 novocained advertising professionals—including an impressive contingent of energetic television contractors—returned to their labours reeling from a week's blandishments, pills, dancing, bottles and pubescent poppets and accompanied by a ringing in the ears of more sincere voices than can be heard in the final week of an election campaign.

John Simmons is creative director of The Simmons Consultancy.

LOMBARD

Kite-flying by Sir Geoffrey

BY PETER RIDDELL

THE Conservative Party is certainly brimful of ideas at present. There is not only a spate of books on Tory ideology but also an intense debate over detailed policies. All this is very different from the home life of our present Government, whose *thinking is limited to occasional* speeches by junior, ambitious members of the Cabinet.

The latest, and most radical, contribution from the Tory ranks is from Sir Geoffrey Howe. In what he described as a "purely personal view," Sir Geoffrey called earlier this week for the *creation of enterprise zones* in derelict inner city areas, such as east London, Clydeside and Merseyside, in which companies could make profits and create jobs with as much freedom as possible. He said these zones could act as "test market areas or laboratories" in which there would be fewer planning restrictions, no rent control on new developments, while certain taxes, rates, subsidies, and price and pay controls would not operate.

Customs barrier

It is easy to satirise Sir Geoffrey's thoughts—just imagine the Free Enterprise Old Town Development Agencies (FEOTDA for short) running the areas. Presumably the streets would be named after heroes of the cause with George Ward Grange, Hayek Boulevard and Thatcher Plaza. Would there be customs points between regulated and unregulated Britain, rather like in the old Ealing film "Passport to Pimlico"?

The speech deserves a more serious hearing than this, not least because of the failure of the present cumbersome methods. Sir Geoffrey is on the strongest ground when he concentrates on removing planning restrictions. There is a good case for relaxing, if not abandoning, the present planning controls and the whole apparatus of Industrial Development Certificates and Office Development Permits in these zones. His proposal that any building would be permissible which complied with very basic anti-pollution, health and safety standards and was not over a stated maximum height would have to be worded carefully to ensure some protection for existing listed properties and current occupants.

Similarly, Sir Geoffrey suggested that the Community Land Act could be put into reverse in these zones, while public authorities which owned land would be required to dispose of it within a specified time to private bidders by auction in the open market. Anything which might stimulate action is better than the current state of dereliction in many of the rundown old dockland or industrial areas. There is no reason why such a freeing of the planning reins should involve the destruction of current worthwhile features, provided the managing agency acts sympathetically.

Guarantees

Sir Geoffrey is on less secure ground when he urges that special economic conditions should apply in these areas. Is it really plausible to argue in a country as small as Britain *that pay and price controls* should be suspended in certain zones? It is possible to envisage all kinds of strange commercial practices adopted in order to gain advantage from producing and selling in and outside the zones.

The feasibility of suspending legal obligations such as "some or all of *the provisions of the* Employment Protection Act" in these areas is also questionable. This is leaving aside other practical objections, which Sir Geoffrey's proposals are intended to override, about likely opposition from trade unions and the dominant Labour local authorities in most of the areas concerned. Sir Geoffrey's suggestion that the zone conditions should be guaranteed for a "stated and substantial" number of years is unlikely to be regarded as plausible by companies which have suffered from the switches of Government policy in the last decade.

My main reservation about *the economic section of* Sir Geoffrey's speech is that if there is a case for removing these controls and obligations, then the changes should apply to the whole country and not just certain zones which are, in practice, inseparable from the rest of the UK. Nevertheless, Sir Geoffrey is right to argue *for planning changes in these* zones and for taking some risk in order to break out of the present stagnation.

Freedom for importers and Krugerrands

BUSINESS AND THE COURTS

BY A. H. HERMANN, Legal Correspondent

AN IMPORTER can "take the law into his own hands" in order to "correct" the abuse of trade mark rights by a manufacturer, stated the European Commission in its observations on the dispute between *Centrafarm* and the *American Home Products Corporation* (AHP). The abuse to which the Commission was referring was the registration of different trade marks for one and the same product in different member States with the aim of keeping these markets separate and charging higher prices where possible. The Commission hastened to add that one should admit the possibility of such private enforcement of EEC rules "only with the greatest reservations." Should this be considered too radical a solution, it might be necessary as an alternative to seek a general prohibition on such trade mark practices.

It seems probable however that the Commission might be *prepared to allow exceptions* to a general prohibition of different trade marks for the same product when the differences are justified by purely linguistic reasons, or where a manufacturer is unable to register his trade mark because it has already been registered by another, unconnected enterprise.

This case (No. 3/78) is the sixth in which Centrafarm has appeared before the European Court. It arose because Centrafarm did take *the law into its* own hands. It discovered that oxazepame, a patented tranquiliser drug made by AHP and sold in Benelux under the trade mark named *Seresta* could be obtained cheaper in the UK, where it is marketed by the maker under the trade mark name *Serenid D.* Centrafarm then says it started to import the drug from the UK, repack it and distribute it in the Netherlands under the there familiar (and approved) name *Seresta* AHP (who moreover, alleged that Centrafarm was using a product not made by them) obtained an interim injunction against Centrafarm. At the same time the Dutch court referred the main action to Luxembourg asking if a product identical in therapeutic properties (but different in taste, could be repacked and marketed in another country under a different trade mark under Article 36 of the EEC Treaty. This prohibits the abuse of trade mark rights as disguised barriers to trade between member States.

It is obvious that the observations of the Commission, which supports Centrafarm and of the British Government, which supports AHP—were made before the Court decided the *Roche/Centrafarm German* repacking dispute. That decision allowed repacking under the same trade mark without the authorisation of the owner, though the Court attached a number of conditions to such an operation. Centrafarm's objective in the present case goes a step further—probably as far as the Commission will ever dare to go without risking the future of the entire trade mark system.

* * *

KRUGERRANDS — more exactly the case of Regina v. E. G. Thompson and others—have provided the Commission *with the opportunity to utter* another statement which is not likely to escape the attention of the Treasury. "If the true object of the prohibition by UK legislation of the importation of gold coins is to prevent speculation and the hoarding of unproductive assets, the means adopted seem to be remarkably inapt."

The case referred to Luxembourg from the Canterbury Crown Court, and listed by the European Court as No. 7/78, is a criminal prosecution for "a fraudulent evasion of the prohibition" on importing Krugerrand gold coins and for "*conspiracy* to evade the prohibition" on exporting silver coins minted in the UK.

The accused submitted that *there was no case* for them to answer as the prohibitions on exportation and importation of coins were invalid, being contrary to the EEC Treaty. The trial judge rejected the submission and refused to refer the question to the European Court. But the Court of Appeal (Criminal Division) reversed his decision on *December 15*, 1977 and referred to Luxembourg a great number of intricate questions aimed at obtaining an interpretation of the significance of Treaty rules for the exportation and importation of coins when treated either as "goods" or as "capital."

The EEC Treaty requires a total liberalisation of trade in goods, but a liberalisation of the movement of capital only "to the extent required for the proper functioning of the Common Market." The European Court was therefore asked whether gold and silver coins fall into the category of goods or of capital.

With the exception of half-crowns, the silver coins exported were all legal tender but no longer in circulation. They were withdrawn by private persons who, as the accused stated, freely traded them in the UK at prices matching the higher market value of their silver content. As the Royal Mint would buy these coins at their face value only, the accused exported them for smelting in Germany at the price of their silver content. Krugerrands which are not legal tender in *any of the member* states, are freely traded on the UK domestic market as conveniently marked and shaped 1 oz pieces of gold.

The British Government and the Italian Government insisted in their Observations submitted to the Court that, whether considered as metal or as currency, the coins must always be viewed as "capital." In their view, therefore, they do not fall under the Treaty requirement of total liberalisation of movement, which applies only to goods. They give a number of reasons, including the need to protect the balance of payments, *for restricting the import* and export of coins.

The European Commission takes a more sophisticated view. It is rather unfortunate, it remarks, that the expression "movement" is used in the Treaty both in connection with capital and goods. In each case it means something quite different. Movement of goods is a two-way business in which goods are exchanged for other goods or for money. Movement of capital is such transfer of products, equipment, gold or ownership (to real estate, for example) when nothing is received in exchange. Thus a company exporting machinery for the construction of one of its own factories abroad is exporting capital, while export of silver or gold coins paid for in Deutsche Marks could be export of goods.

Nevertheless the Commission takes into account that when coins are the legal tender of one of the member States, that State can take protectionary measures, including a prohibition of exportation. On the Krugerrand issue, however, the Commission sides without any hesitation with the accused. It insists that Krugerrands are "goods" and as such must be allowed to circulate freely in the Common Market. They cannot benefit from the exception granted by Article 36 for reasons of public policy. This ". . . aims at hypothetical events of a non-economic nature . . ." while "speculation" and "hoarding" are economic matters. In any event, concludes the Commission it is not allowed to impose on inter-State trade, restrictions which are not imposed on comparable goods on the domestic market. It seems the judges were given plenty to think about during the summer recess.

Historian shows promise for Champagne Stakes

RACING

BY DOMINIC WIGAN

LESTER PIGGOTT pays a rare visit to Salisbury this afternoon, primarily to take the ride on his brother-in-law's General Atty in the Champagne Stakes.

This consistent Robert Armstrong colt seems certain to run his usual game race without, *perhaps, being able to cope with* Historian or Nocturnal Boy.

Historian, a chesnut Sallust colt representing Dick Hearn, who saddled the subsequently disappointing Hever to win this prize a year ago, caught racegoers' eyes when getting off the mark at the first time of asking in a division of the Kennett Stakes at Newbury on Summer Cup day this month.

Historian, half-brother to another attractive horse in Homeric, showed no greenness, forging clear in the closing stages to outpoint Ready Token after making much of the running.

That outing will have brought Historian on considerably and backers may prove justified in sending him to post a warm favourite to further boost his trainer's record.

Although Nocturnal Boy's final placing in the Coventry Stakes at Royal Ascot last week might have disappointed punters in view of his encouraging efforts at Kempton and Leicester in the two preceding weeks, he ran a tremendous race from a poor draw on the far rails.

I expect him to give Sir Michael Sobell's colt a good race, but not be good enough to land the prize, which again has been boosted with a £2,000 contribution from Miss. A. Cooper-Dean.

If he cannot please local supporters with a win in the Champagne Stakes, Piggott seems sure to go one closer to his half century, for he has several other likely looking mounts including Carrot Patch and Escape Me Never.

Carrot Patch, a chesnut colt by Habitat out of that extremely smart stayer, Carrot Top, may find inexperience her downfall in the Southampton Stakes in which Robert Street could follow up a 20—1 win of 12 months ago on Vaquero through Best Star.

However, I envisage few problems for Trusted's half-sister, Escape Me Never.

In her only previous race, this John Dunlop-trained Run the Gauntlet bay finished a good third behind Habit and Sombreuil in Sandown's Cunard QE2 Stakes, after failing to obtain a clear passage when full of running a furlong and a-half from home.

SALISBURY

2.15—House Guard
2.45—Best Star
3.15—Historian*
3.45—World Crisis
4.15—Mr. Music Man**
4.45—Escape Me Never***

TV Radio

† Indicates programmes in black and white

BBC 1

6.40-7.55 am Open University (Ultra High Frequency). 11.15 On the Move. 11.25 Cricket: Third Test—The Cornhill Insurance Test Series, England v. Pakistan. 1.30 pm Chigley. 1.45 News. 1.55 Wimbledon Lawn Tennis Championships. 4.18 Regional News for England (except London). 4.20 Play School (as BBC-2 11.00 am). 4.45 Laff-a-Lympics (cartoon). 5.05 We're going places. 5.35 The Wombles.

5.40 News
5.55 Nationwide (London and South-East only)
6.15 Wimbledon Tennis
7.20 Top of the Pops
8.00 Rosie
8.30 Citizen Smith
9.00 News
9.25 The Songwriters: Noel Coward
10.15 I, Claudius
11.05 Tonight
11.45 Weather/Regional News

All Regions as BBC-1 except at the following times:—

Wales—1.30-1.45 pm Mr. Benn. 5.55 Wales Today. 6.15-6.40 Heddiw. 6.40 Join BBC-1 (Wimbledon). 11.45 News and Weather for Wales.

Scotland—5.55-6.15 pm Reporting Scotland. 11.45 News and Weather for Scotland.

Northern Ireland—4.18-4.20 p.m. Northern Ireland News. 5.55-6.15 Scene Around Six. 11.45 News and Weather for Northern Ireland.

England—5.55-6.15 pm Look East (Norwich); Look North (Leeds, Manchester, Newcastle); Midlands Today (Birmingham); Points West (Bristol); South Today (Southampton); Spotlight South West (Plymouth).

BBC 2

6.40-7.55 am Open University
11.00 Play School
2.05 pm Cricket: Third Test/Wimbledon Tennis
7.55 News on 2
8.05 Gardeners' World
8.30 BC: The Archaeology of the Bible Lands
†9.00 Midweek Cinema: "The Sleeping Car Murders" starring Yves Montand and Simone Signoret
10.30 Late News on 2
10.40 Match of the Day Special: Wimbledon and Cricket highlights
12.00-12.10 am Closedown (reading)

LONDON

9.30 am A Present from the Past. 9.55 Paint Along with Nancy. 10.20 The Undersea Adventures of Captain Nemo. 10.30 An Asian Notebook. 11.00 Popeye. 11.05 Goostrey—A Village. 12.00 Little Blue. 12.10 pm Rainbow. 12.30 Doctor! 1.00 News plus FT index. 1.20 Help! 1.30 Crown Court. 2.00 After Noon. 2.25 Golf. 4.20 Children's Film Matinee: "Joyous Sound."

5.45 News
6.00 Thames at 6
6.35 Cartoon Time
6.50 Crossroads
7.15 Oh No, It's Selwyn Froggitt
7.45 "Duel" starring Dennis Weaver
9.30 This Week
10.00 News
10.30 What About the Workers
11.00 Richie Brockleman, Private Eye
12.00 What the Papers Say
12.15 am Close: A painting by Van Gogh with muisc by Mozart

All IBA Regions as London except at the following times:—

ANGLIA

10.20 a.m. Halas and Bachelor cartoons. 10.40 Afloat. 1.25 p.m. Anglia News. 2.00 Women Only. 4.20 Rocket Robin Hood. 4.45 The Adventures of Black Beauty. 5.15 Emmerdale Farm. 6.00 About Anglia. 6.35 Arena. 7.15 Enterprise. 7.45 The mid-week film: "The Stranger," starring Cameron Mitchell. 10.30 Lifestyle. 11.00 What About The Workers. 11.30 Chopper Squad. 12.25 a.m. The Living World.

ATV

10.20 a.m. Balablok. 10.25 Hennessy: Punk and Acne Go Together. 1.20 p.m. ATV Newsdesk. 4.20 Three for the Road. 6.00 ATV Today. 7.00 Emmerdale Farm. 7.30 The midweek film: "When the Legends Die," starring Richard Widmark. 11.00 Gardening Today 11.30 Dan August.

BORDER

10.20 a.m. Skippy. 10.45 Afloat. †1.20 p.m. Border News. 4.20 Code R. 5.15 Solo One. 6.00 Lookaround Thursday. 7.15 Emmerdale Farm. 7.45 Columbo. 11.00 Gibbsville. †11.53 Border News Summary.

CHANNEL

1.18 p.m. Channel Lunchtime News and What's On Where. 4.20 Little House on the Prairie. 5.15 The Flintstones. 6.00 Channel News. †6.00 "The Case of the Mukkinese Battlehorn." 6.45 Cartoon. †7.15 Feature film: "The Sound Barrier." 10.28 Channel Late News. 10.32 The Open Air with Clive Gunnell. 11.00 The Andy Williams Show. 11.30 The Sweeney. 12.25 a.m. Actualities et Projections.

GRAMPIAN

9.25 a.m. First Thing. 10.20 Woobinda. 10.45 Afloat. 1.20 p.m. Grampian News Headlines. 4.20 The Little House on the *Prairie. 5.15 Reflections on Sport.* 6.00 Grampian Today. 6.35 Cartoon Time. †7.05 Columbo. 11.00 Cover to Cover. 11.30 Music in Camera. 12.20 a.m. Reflections. 12.25 Grampian Late Night Headlines.

GRANADA

10.20 a.m. Skippy. 10.45 Look at Life. 10.55 Kathy's Quiz. 1.20 p.m. This is Your Right. 4.20 Little House on the Prairie. 5.10 What's New. 5.15 Crossroads. 6.00 Granada Reports. 6.45 Emmerdale Farm. 7.15 Bless this House. 7.45 McCloud. 10.30 What's On. 11.00 What the Papers Say. 11.20 Ryan. 12.15 a.m. *A Little Night* Music.

HTV

10.20 a.m. Houseparty. 10.40 Afloat. 1.20 p.m. Report West Headlines. 1.25 Report Wales Headlines. 2.00 Women Only. 4.20 Children in 1944. 4.45 The Flintstones 5.20 Crossroads. 6.00 Report West. 6.22 Report Wales. 6.45 Survival. 7.15 Mr. and Mrs. 7.45 The mid-week film "Candidate for a Killing," starring Anita Ekberg. 11.05 Rafferty.

HTV Cymru/Wales—As HTV General Service except: 1.20-1.25 p.m. Penawdau Newyddion y Dydd 4.20 Miri Mawr. 4.35-4.45 Wstubethna. 6.00-6.22 Y Dydd.

HTV West—As HTV General Service except: 1.20-1.30 p.m. Report West Headlines. 6.22-6.45 Sport West.

SCOTTISH

10.20 a.m. Valley of the Dinosaurs. 10.40 *Afloat. 1.25 p.m. News and Road Report.* 2.00 Women Only. 4.20 Island of Adventure. 5.15 Cartoon—Sinbad Junior. 5.20 Crossroads. 6.00 Scotland Today. 6.30 Weir's Way. 6.45 Garnock Way. 7.15 Emmerdale Farm. 7.45 The midweek film: Columbo. 11.00 Something Special. 11.45 Late Call. 11.50 Love American Style.

SOUTHERN

10.20 a.m. Arthur. 10.45 Afloat. 1.20 p.m. Southern News. 2.00 Women Only. 4.20 Golden Hill. 4.45 The Lost Islands. 5.15 *Sinbad Junior. 5.20 Crossroads.* 6.00 *Day* by Day. 6.45 University Challenge. 7.15 Emmerdale Farm. 7.45 McCoy. 10.30 Oh No, It's Selwyn Froggitt. 11.00 Your Westminster. 11.30 Southern News Extra. 11.40 What the Papers Say.

TYNE TEES

9.25 a.m. The Good Word, followed by North East News Headlines. 10.20 A Big Country. 10.45 Afloat. 1.20 p.m. North East News and Lookaround. 2.00 Women Only. †4.20 Thursday Matinee: "Roll, Freddy, Roll." 6.00 Northern Life. 7.15 Emmerdale Farm. 7.45 Columbo. 11.00 Double Top. 1.40 George Hamilton IV. 12.10 a.m. Epilogue.

ULSTER

10.20 a.m. Survival. 10.40 Afloat. 1.20 p.m. Lunchtime. 4.18 Ulster News Headlines. 4.20 Clue Club. 4.45 The Gene Machine. 5.15 The Adventures of Black Beauty. 6.00 Ulster Television News. 6.05 Crossroads. 6.30 Reports. 6.45 Want a Job. 7.00 Cartoon Time. 7.15 Emmerdale Farm. 7.45 Midweek movie: Columbo. 11.00 *Gardening Today.* 11.30 Bedtime.

WESTWARD

10.20 a.m. Untamed World. 10.40 Afloat. 12.27 p.m. Gus Honeybun's Birthdays. 1.20 Westward News Headlines. 4.20 Little House of the Praire. 5.15 The Flintstones. 6.00 Westward Diary. †7.15 Feature Film: "The Sound Barrier," starring Ann Todd. 10.28 Westward Late News. 10.30 The Open Air with Clive Gunnell. 11.00 The Andy Williams Show. 11.30 The Sweeney. 12.25 a.m. Faith for Life.

YORKSHIRE

10.20 a.m. Hemdale Half-hour. 1.20 p.m. Calendar News. 4.20 "Roll, Freddy, Roll." 6.00 Calendar. Emley Moor and Belmont editions. 7.15 Emmerdale Farm. 7.45 The midweek film: Columbo. 11.00 Danger in Paradise.

RADIO 1 247m

(S) Stereophonic broadcast
(Mw) Medium Wave

5.00 a.m. As Radio 2. 7.02 Dave Lee Travis. 9.00 Simon Bates. 11.31 Paul Burnett, including 12.30 p.m. Newsbeat. 2.00 Tony Blackburn. 4.31 Kid Jensen including 5.30 Newsbeat. 7.30 Country Club (S) (joins Radio 2). 10.02 John Peel (S). 12.00-2.02 a.m.: As Radio 2.

VHF Radios 1 and 2—5.00 a.m. With Radio 2, including 1.55 p.m. Good Listening. 2.02 Pete Murray's Open House (S) (continued from Radio 2, 12.30). 2.30 David Allen (S). 4.30 Waggoners' Walk (also 200kHz, 1484kHz) 4.45 John Dunn (S). 7.00 With Radio 2. 10.00 With Radio 1. 12.00-2.02 a.m. With Radio 2.

RADIO 2 1,500m and VHF

5.00 a.m. News Summary. 5.02 Richard Vaughan with The Early Show (S), including 6.15 Pause for Thought. 7.32 Terry Wogan (S) including 8.27 Racing Bulletin and 8.45 Pause for Thought. 10.02 John Timpson (S). 12.15 p.m. Waggoners' Walk. 12.30 Pete Murray's Open House (S) (continued on VHF) including 1.45 Sports Desk. 2.02 Wimbledon Lawn Tennis Championships including 2.45, 3.45 Sports Desk. 4.30 Waggoners' Walk (as VHF). 4.45 Sports Desk. 5.15 Move On (as VHF). 5.45 Sports Desk. 6.01 Cross Channel Motoring Information and 6.45 Sports Desk. 7.02 Country Club (S) including 7.30 Sports Desk. 9.02 Folkweave (S). 9.55 Sports Desk. 10.02 Wit's End. 10.30 Star Sound Extra. 11.02 Brian Matthew introduces Round Midnight, including 12.00 News. 2.00-2.02 a.m. News Summary.

RADIO 3 464m, Stereo & VHF

6.55 a.m. Weather. 7.00 News. 7.05 Overture (S). 8.00 News. 8.05 Morning Concert (S). 9.00 News. 9.05 This Week's Composer: Bartok (S). 9.40 Music for Violin and Piano part 1 (S). 10.15 In Short (talk). 10.25 Music for Violin and Piano part 2 (S). 11.15 Cricket: Third Test—England v. Pakistan, including 1.35 News. 1.40 The Great Match 1974 (talk) and 2.00 Lunchtime scoreboard. 6.40 Lifelines: The Wider World. 7.40 "La Vida Breve," opera in two acts, music by de Falla (S). 8.50 "Treats" by Christopher Hampton (S). 9.50 Vienna Octet (S). 10.40 Mr. Topham's Diary (S). 11.35 News. 11.40-11.45 Tonight's Schubert Song.

VHF—6.00 a.m. Open University. 7.00 With Mw. 11.15 "Alexander's Feast." Music by Handel, part 1 (S). 12.15 p.m. A Poet on Painters (talk) by John Franklyn-Robbins. 12.25 "Alexander's Feast," part 2 (S). 1.00 News. 1.05 Mendelssohn and Brahms, Chamber music concert, part 1 (S). 1.25 Words . . . Talk. 1.30 Mendelssohn and Brahms, part 2 (S). 2.20 "I Divini" (S). 3.00 Hallé Orchestra Concert, part 1 (S). 3.45 Interval Reading. 3.55 Concert, part 2. 5.00 Piano Duets (S). 5.45 Bach (S). 6.40 With Mw.

RADIO 4

434m, 330m, 285m and VHF

6.15 a.m. News. 6.17 Farming Today. 6.35 Up to the Hour. 7.00 News. 7.10 Today. 7.35 Up to the Hour (continued) including Thought for the Day. 8.00 News. 8.10 Today. 8.35 Yesterday in Parliament. 9.00 News. 9.05 Those You Have Loved (S). 10.00 News. 10.05 From our own Correspondent. 10.30 Daily Service. 10.45 Morning Story. 11.00 News. 11.05 Down Your Way. 11.35 A New and Different World. 12.00 News. 12.02 p.m. You and Yours. 12.27 Many a Slip. 12.55 Weather, programme news. 1.00 The World at One. 1.30 The Archers. 1.45 Woman's Hour, including 2.00-2.02 News. 2.45 Listen with Mother. 3.00 News. 3.10 Questions to the Prime Minister "live" from the House of Commons. 3.35 Wildlife. 4.00 News. 4.05 Jack de Manio precisely. 4.35 Story Time. 5.00 *PM Reports.* 5.40 Serendipity. 5.55 Weather, programme news. 6.00 News. 6.30 Brain of Britain 1978. 7.00 News. 7.05 The Archers. 7.20 Checkpoint. 7.45 Paul Jones: Terror of the English, starring Iain Cuthbertson. 8.30 John Ebdon with the BBC Sound Archives. 8.45 Analysis: Fewer Hours, More Jobs. 9.30 Kaleidoscope. 9.59 Weather. 10.00 The World Tonight. 10.30 Any Answers? 11.00 A Book at Bedtime. 11.15 The Financial World Tonight. 11.30 Today in Parliament. 12.00 News.

BBC Radio London

206m and 94.9 VHF

5.00 a.m. As Radio 2. 6.30 Rush Hour. 9.00 London Live. 12.03 p.m. Call In. 2.03 206 Showcase. 4.03 Home Run. 6.10 Look, Stop, Listen. 7.30 Black Londoners. 8.30 Soul 78. 10.03 Late Night London. 12.00 As Radio 2. 12.05 a.m. Question Time from the House of Commons. 1.05 Close: As Radio 2.

London Broadcasting

261m and 97.3 VHF

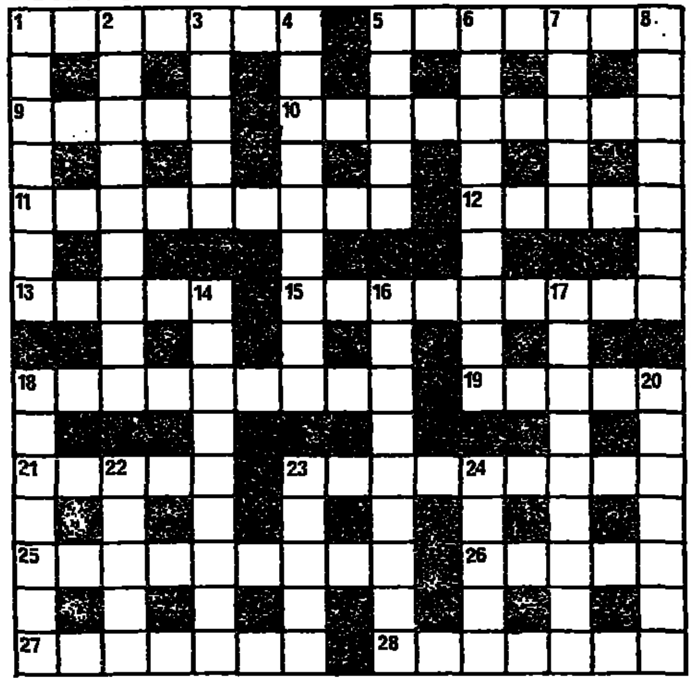
5.00 a.m. Morning Music. 6.00 A.M. Non-stop news, information, travel, sport and review. 10.00 Brian Hayes Show. 1.00 p.m. LBC Reports. 3.00 George Gale's 3 O'clock Call. 4.00 LBC Reports (continues). 8.00 After Eight with Ian Gilchrist. *9.00 Nightline with Bryn Jones.* 1.00 a.m. Night Extra with Adrian Scott.

Capital Radio

194m and 95.8 VHF

6.00 a.m. Peter Young's Breakfast Show (S). 9.00 Michael Aspel (S). 12.00 Dave Cash (S). 3.0 p.m. Roger Scott (S). 7.00 Lord George-Brown's Capital Commentary (S). 7.10 London Today (S). 7.30 Adrian Love's Open Line (S). 9.00 Nicky Horne's Your Mother Wouldn't Like It (S). 11.00 Tony Myatt's Late Show (S). 2.00 a.m. *Mike Smith's Night Flight (S).*

F.T. CROSSWORD PUZZLE No. 3,705



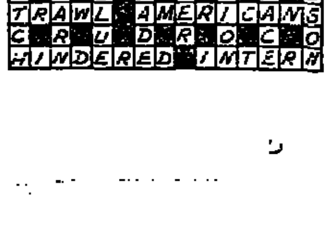
ACROSS

1 Comforts for the ones who follow the sun (7)
5 A thousand, I admit, can be on the move (7)
9 Female found in city escort (5)
10 Sailor meets saint in a waterproof (9)
11 Fair game, relatively speak*ing* (4, 5)
12 Thick poles in a river (5)
13 Make the odd loner join (5)
15 One caught in net about to tell of mental power (9)
18 Serves with one good man among the pit-workers (9)
19 Let the healthy return to the doctor is the theme (5)
21 Put on in turn when still in bed (3, 2)
23 Quiet tolerance of a cliche (9)
25 The crime that caused the Furies to hunt Orestes (9)
26 Gambled in chequered form (5)
27 Overcomes the bad set embraced by war god (7)
28 He leaves the cost of release on a cross-beam (7)

DOWN

1 A wise man goes round America in a banger (7)
2 Look for a female with a smile in opera (9)
3 Troubles are to be seen in the Civil Service (5)
4 Attendant helps with television transmission (9)
5 There is nothing for an artist in my county (5)
6 It is great to criticise—it calls for every trick (5, 4)
7 Exhausted—no one has been left out (3, 2)
8 The chap is after Brown—it's touching (7)
14 Final award for the cobbler (4, 5)
16 Thanks to people in the match we have it old and new (9)
17 Court provided by the French in any case (2, 4, 3)
18 Short skirt? Not a word—it's the barest possible (7)
20 Drink on the house—it's licence (7)
22 Pauline correspondent gives us the bird (5)
23 Taken by the assiduous, but causes suffering (5)
24 You must arrange aid in this eastern country (5)

SOLUTION TO PUZZLE No. 3,704



ENTERTAINMENT GUIDE

CC—These theatres accept certain credit cards by telephone or at box office.

OPERA & BALLET

COLISEUM. Credit cards 01-240 5258. Reservations 01-836 3161 NUREYEV FESTIVAL Evgs 7.30. Mats Sats & Wed July 5 at 2.30. With LONDON FESTIVAL BALLET. Ton't. Tomor and Sat. Giselle. July 3 to 8: Sleeping Beauty. Seats available Mats. July 1, 5 & 8 only with DUTCH NATIONAL BALLET July 10 to 15. Seats available. Nureyev will dance at every perf.

COVENT GARDEN. CC. 240 1066. (Gardencharge credit cards 836 6903) THE ROYAL OPERA Tonight. Sat. & Tue. next at 7.30: Luisa Miller. Tomor. & Mon. next at 7.30: Pelleas et Mélisande. 65 Amphi' seats avail for all perfs from 10 am on day of perf. Note: Personal/Tel. bkgs. for July Ballet opens July 1 and Not June 1

GLYNDEBOURNE FESTIVAL OPERA. *Until* Aug. 7 with the London Philharmonic Orchestra. Tonight. Sat. & Wed. next at 5.30: Die Zauberflote. Tomor. Sun and Tue. next at 5.15: La Boheme. Possible returns only. Box office Glyndebourne Lewes. E. Sussex (0273 812411).

SADLER'S WELLS THEATRE. Rosebery Av. EC1. 837 1672. Until Sat. Evgs. 7.30 Mat. Sat. 2.30. First time in London Manolita & Rafael Aguilar's FIESTA DE ESPANA Spanish folk and flamenco. "*Well worth a visit.*" S. Tel. From Tue to July 22. NIKOLAIS DANCE THEATRE

THEATRES

ADELPHI THEATRE. CC. 01-836 7611. Evgs. 7.30. Mats Thur. 3.0. Sat. 4.0. IRENE The best musical of 1976, 1977 and 1978 IRENE "LONDON'S BEST NIGHT OUT." Sunday People ALREADY SEEN BY OVER ONE MILLION HAPPY THEATREGOERS CREDIT CARD BOOKINGS 01-836 7611.

ALBERY. 836 3878. Credit card bkgs. 836 1971-3 from 8.30 a.m. Party Rates Mon., Tues., Wed. and Fri. 7.45 p.m. Thurs. and Sat. 4.30 and 8.0. "A THOUSAND TIMES WELCOME." IS LIONEL BART'S OLIVER! "MIRACULOUS MUSICAL." Fin. Times. with ROY HUDD and JOAN TURNER. "CONSIDER YOURSELF LUCKY TO BE ABLE TO SEE IT AGAIN." Daily Mirror.

ALDWYCH 836 6404 Info 836 5332. ROYAL SHAKESPEARE COMPANY In repertoire. Tonight 7.30—Strindberg's THE DANCE OF DEATH. "Emerges as a wonderful piece of work." The Times. With: CORIOLANUS (Next perf 5 July). RSC also at THE WAREHOUSE (see under W) and at the Piccadilly Theatre in Peter Nichols' PRIVATES ON PARADE.

ALMOST FREE. 485 6224. Lunchtimes "One Off." by Bob Wilson. Tues.-Sat. 1 15 pm-Suns. 3.00 and 5.00 pm. No shows Mons.

ALMOST FREE. 485 6224. Evenings Kurt Vonnegut's "Player Piano." by James Saunders. Tues.-Sat. 8.0 pm. No shows Mons.

AMBASSADORS. 01-836 1171. Nightly at 8.00. Matinee Tue. 2.45. Saturday 5 and 8. PATRICK CARGILL and TONY ANHOLT in SLEUTH *The World-Famous Thriller* by ANTHONY SHAFFER "Seeing the play again is in fact an utter and total joy." Punch. Seat prices £2.00 to £4.40. Dinner and Top-price Seat £7.50.

APOLLO. 01-437 2663. Evenings 8 00. Mats. Thurs. 3.00. Sat. 5.00 and 8.00. DONALD SINDEN "Actor of the Year." Evening Standard. "IS SUPERB." NoW. SHUT YOUR EYES AND THINK OF ENGLAND "Wickedly funny." Times.

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THEATRES

HAYMARKET. 930 9832. Evgs. 8. Wed. 2.30. Sat. 4.30, 8. INGRID BERGMAN WENDY HILLER DEREK GODFREY DORIS HARE FRANCIS CUKA WATERS OF THE MOON Must definitely close July 1.

HAYMARKET. 930 9832. Box Office Now Open Prevs. July 4 and 5 at 8.0. Opens *July 6. 7.00.* PAUL SCOFIELD HARRY ANDREWS ELEANOR BRON TREVOR PEACOCK and IRENE HANDL in A FAMILY A new play by RONALD HARWOOD. Directed by CASPER WREDE.

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QUEEN'S THEATRE. CC. 01-734 1166. Evgs. 8.00 Wed. 3.00 Sat. 5.00. 8.30. ANTHONY QUAYLE FAITH BROOK MICHAEL ALDRIDGE and RACHEL KEMPSON in Alan Bennett's THE OLD COUNTRY Plays and Players London Critics Award BEST PLAY OF THE YEAR Directed by CLIFFORD WILLIAMS

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THEATRES

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WHITEHALL. 01-930 6692-7765. Evgs. 8.30. Fri. and Sat. 6.45 and 9.00. Paul Raymond presents the Sensational Sex Revue of the Century DEEP THROAT

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YOUNG VIC. 928 6363. New Company — New Season No performance today. Eves. 7.45. Mat. Wed. next 2 pm. BARTHOLOMEW FAIR Young Vic Festival July 2-23.

CINEMAS

ABC 1 & 2 SHAFTESBURY AVE. 836 8861. Sep. Perfs. ALL SEATS BKBLE. 1. 2001 A SPACE ODYSSEY (U) 70mm film Wk & Sun. 2.25. 7.55. 2. BILITIS (X). Wk & Sun. 2.00. 5.35. 8.35.

CAMDEN PLAZA (opp. Camden Town Tube). 485 2443. Taviani's ALLONSANFAN (AA). (By the directors of Padre Padrone) 4.45, 6.50. 9.00.

CLASSIC 1, 2, 3, 4. Oxford Street (Opp. Tottenham Court Rd. Tube). 636 0310. 1. Bruce Lee GAME OF DEATH (X). Progs. 2.00 4.15 6.30 8.45. Late show 11 pm. 2: *Richard Burton, Lee Remick* THE MEDUSA TOUCH (A). Progs. 1.10, 3.35, 6.00, 8.25. Late show 10.50 p.m. 3. Alan Bates, John Hurt THE SHOUT (A). Progs. 2.30 4.35 6.40 8.45. Late show 11 p.m. 4. Retained by Public Demand. THE GODFATHER PART II (X). Progs. 3.00, 6.50, feature 3.25, 7.15. Late show 11 p.m. TEXAS CHAIN SAW MASSACRE (X-GLC).

CURZON, Curzon Street, W.1. 499 3737. (Fully Air Conditioned Comfort.) DERSU UZALA (U) in 70 mm. (English subtitles). A film by AKIRA KUROSAWA. "MASTERPIECE." The Times. "MASTERWORK." The Observer. "SPECTACULAR ADVENTURE." Sunday Times. "VERY BEAUTIFUL." The Guardian. "HAUNTING ADVENTURE." Sunday Express. "MASTERPIECE." Evening News. Film daily at 2.00 (not Sun), 5.00 and 8.00.

LEICESTER SQUARE THEATRE (930 5252). COMING HOME (X). Sep. progs. Mon.-Sat. 1.30, 4 45, 8.10. Sun. 3.30, 7.45. Late show Fri. and Sat. 11.45 pm. Seats may be booked in advance for 8.10 prog. Mon.-Fri. & all progs. Sat. & Sun. No late show booking

ODEON HAYMARKET. (930 2738-2771.) Jane Fonda, Vanessa Redgrave in a Fred Zinnemann film JULIA (A). Sep. progs. Dly. 2.30. 5.45. 8 45. Features Dly. 2.45, 6.00, 9.00. All seats bkble at theatre.

ODEON LEICESTER SQUARE (930 6111). CLOSE ENCOUNTERS OF THE THIRD KIND (A) Sep. progs. Dly. Doors open 1.05. 4.15. 7.45. Late show Fri. & Sat. Doors open 11.15 pm. All seats bkble.

ODEON MARBLE ARCH (723 2011-2) CLOSE ENCOUNTERS OF THE THIRD KIND (A) Sep. progs. Mon.-Fri. Doors open 2.15. 7.30. Sat. & Sun. Doors open 1.05. 4.15. 7.45. Late show Fri. & Sat. Doors open 11.15 pm. All seats bkble in advance except late shows.

PRINCE CHARLES. Leic. Sq. 437 8181. Mel Brooks HIGH ANXIETY (A) Sep. Perfs. Dly (inc. Sun.) 2.45, 6.15, 9.00. Late Show Fri. and Sat. 11.45. Seats Bkble. Licd. Bar.

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Royal Shakespeare Theatre

Measure for Measure

by MICHAEL COVENEY

The Royal Shakespeare Company's Vienna, as designed by Christopher Morley, is a dull black box whose fourth wall rises dramatically at the end for the Duke's return. Within it are contained many doors through which characters slip on and off, disappearing down corridors like obedient demonstrators of an unpalatable text. Before the action, a figure of blind Justice flies out of sight. Why does the Duke retreat? Michael Pennington, offering a study in devious cool similar to his unexpressive Mirabell, leaves us to decide whether he acts out of cowardice, defeatism or sheer exhaustion.

Barry Kyle's production is similarly undefined. Jonathan Miller set his version firmly in the Vienna of the 1930s, with unexpected rewards; at Stratford four years ago, Keith Hack read the play from the stews up in a mood of excited, gaudy Brechtianism. This most evasive and puzzling of plays seems to work best through a straightjacket of directorial imposition. With an infuriatingly private Duke and a confused stage picture — Lucio in Carolinian leather, the law's representatives in Cromwellian black—it is even harder to penetrate than usual.

Leonard Burt

Michael Pennington and Paola Dionisotti

The tattered system of justice that sends Claudio to prison for sleeping with Juliet, that rounds up the whores and finds employment for a bawd in the role of executioner's assistant, must be seen to operate throughout the social layers, all stemming from Angelo's peevish and ill-timed decision to punish Claudio. That spring, at least, survives vividly in Jonathan Pryce's desperately fastidious assumption of an office into which he has reluctantly backed with a look of sheer terror.

Mr. Pryce, at least, leaves you in no doubt as to what Angelo is doing, with the odd result that he emerges as the sympathetic centre of the play. He did not ask for the job; he does what he believes is expected of him by sentencing Claudio and then, shut up with the suppliant Isabella, he stalks her on spindly legs as the blood rushes to his head. No underhand lechery here, but an honest expression of lust as he realises what is happening. Given the lacklustre interpretation of Claudio and Mariana, and despite the obvious efficiency of John Nettles' spry Lucio, Mr. Pryce is the only actor on stage who behaves in a recognisably human way. The fact that the Duke's tactics are inhuman does not mean he is no more than a cadaverous enigma.

Over Paola Dionisotti's Isabella, I am totally confused. One minute an innocent prig, the next a mock-pious comedienne, there is no consistency at all in her reading. The production suggests that she, like the Duke, is a callous dissembler, but that makes nonsense of Shakespeare's idea of chastity as a virtue in whose name crimes are committed. The prison scene with her brother becomes an excuse for a display of cynicism rather than of a horrifying immutability.

Despite all this, there is a genuine tension to the final scenes, as the Duke switches his ground and plays one character off against another in a show of tyrannous muscle-flexing. But the attention is held by Mr. Pryce, completing a superbly rounded interpretation with a vacant and terrified stare of panicky regret while awaiting the final adjudication.

Rudolf Nureyev as Romeo

Coliseum

Romeo and Juliet

by CLEMENT CRISP

Rudolf Nureyev is installed at the Coliseum during the next three weeks, in partnership with Festival Ballet for a fortnight; thereafter he is to be seen with the Dutch National Ballet.

This marathon of performances has begun with Nureyev's own staging of *Romeo and Juliet* for Festival Ballet, a production which, after the passage of a year, has not gained in interest for me. It has vigour of a particularly frenetic kind, but no emotional development—at the end Romeo and Juliet remain as shadowy as they do at the ballet's start. The choreographic texture is dry, busy, the dances impelled along with a nervous energy that is restlessly determined that inanition is to be avoided at all costs. In one of the great love stories, love itself seems absent; instead, physical bravura replaces passion, and a feverish unease is offered instead of lyricism.

This impulse towards activity rather than expression seems to me to be central to Nureyev's own performance. At a time when most male dancers might feel that care and a husbanding of forces are necessary considerations, Nureyev appears to drive himself harder than ever. His stamina, and the sheer ferocity of will that is manifest in his dancing now, are extraordinary; he flings himself into his dances with a flaring energy. The result is a quality at once coarse-grained and hypnotically dramatic, but it seems to have little to do with the character of Romeo. Almost we might be watching a man exorcising a personal demon—and ultimately, I suppose, that is what a star is supposed to give his public. The catharsis is shared, and the theatre rings with cheers.

That the story of *Romeo and Juliet* is involved becomes, on these terms, almost incidental, but I have to record that I find the Nureyev version over-long and inexpressive. That Nureyev is a good producer is clear: the start of the ballet with the death-cart taking away plague victims; the Sienese flag sequence; the death of Mercutio, splendidly done by Nicholas Johnson, who revels in the best-argued role in the ballet), are all fine. But the symbolism that clutters the third act; the absence of lyric effusion for the lovers; the incessant showing-off that Nureyev-as-choreographer provides for Nureyev-as-dancer — these are hard to take.

I must salute the appearance of Elisabetta Terebust as Juliet, for she brings an eager youthfulness to the role that is authentically Shakespearean, and at the darkest moments of the drama she achieves a ringing sincerity of manner. The score, I thought, sounded less than compelling: Festival Ballet's artists gave of their very best.

Eden Court, Inverness

Hansel and Gretel

The two-year-old Eden Court Theatre in Inverness, built in the grounds of the former Bishop's Palace overlooking the river Ness, and linking the Victorian Gothic Palace of pink stone to the cluster of glass and steel hexagons that forms the modern theatre, is one of Scottish Opera's newest and most popular touring dates. Stage and auditorium—it seats 820—are intimate enough for a chamber work such as *The Turn of the Screw*, while the pit can accommodate the large orchestra required for *Hansel and Gretel*. A new production of Humperdinck's opera by Peter Ebert, his first since becoming the company's general administrator, opened SO's one week season at Inverness on Tuesday afternoon.

Mr. Ebert takes a matter-of-fact view of *Hansel and Gretel*, as unsentimental an approach as the piece allows. The children are normal, exasperating kids, ripe for mischief when bored, genuinely scared by the terrors of the darkening forest one minute, dancing with delight at the discovery of the gingerbread house the next. Peter and Gertrude are equally natural, helped by Tom Hammond's English translation which plays down the whimsical side of Adelheid Wette's text. The angels, seen through the children's eyes as perfectly ordinary people with gold wings, are a major success—one urchin thoughtfully leaves a toffee apple for Hansel to find when he wakes up.

The Witch, cast as a tenor, is more problematical. I found her neither funny nor frightening enough, but the children in the audience did not share my reservations and screamed with delight when she got baked in her own oven, igniting with a most satisfying explosion. Sue Blane's sets and Maria Björnson's costumes combine the imaginative world of Grimm's Fairy Tales with the realism of every day in exact proportions. The forest trees, with twining, arm-like branches, are especially atmospheric, while the fantastic creatures who haunt the wood seem very much at home there.

Mindful of the Wagnerian dimensions of Humperdinck's score, Scottish Opera casts the piece from strength. Della Jones as Hansel and Laureen Livingstone as Gretel have voices that ride the orchestra without strain, and they are both credible as boisterous children. At the evening performance, of which I saw the first act, Hansel was taken by Cynthia Buchan and Gretel by Marie Slorach; they too combine strong singing with convincingly juvenile appearance and behaviour. Judith Pierce makes a warm-hearted Gertrude, whose anger at the broken milk jug quickly subsides. Malcolm Donnelly, swaggeringly jovial as the drunken Peter, relates his story of the Witch with chilling effectiveness.

Francis Egerton as the Witch does not yet extract all the dramatic substance to be found in the role, though he sings it with the proper seriousness. Linda Ormiston is an excellent Sandman, and Una Buchanan sings neatly as the Dew Fairy. The Angels and Gingerbread children produce the accustomed lump in the throat and pricking behind the eyes. Alexander Gibson, conducting the Scottish Philharmonia, balances stage and pit skilfully and gives glowing accounts of the overture and, especially, the Dream Pantomime. The afternoon performance was the 1300th given by Scottish Opera since its establishment in 1962.

ELIZABETH FORBES

Wigmore Hall

Sorabji

by MAX LOPPERT

Yonty Solomon's espousal of the piano music of Kaikhosru Sorabji continues. On Tuesday, as the second half of a recital which had begun with Bach (the Goldberg Variations), he introduced to an attentive audience (these Sorabji concerts seem to have attracted a following) the *Concerto per suonare da me solo*.

Since the composer has so enthusiastically given his sanction to Mr. Solomon's performances of his music, the title of the Concerto is now, in a sense, invalidated. In another, more important sense, of course, it remains meaningful—indeed, it is helpful in a manner not always given to musical titles. For the work proclaims itself, in its every bar, not only "to be played by me" but also, as it were, "written for my own exclusive delectation."

Encountering this extraordinary 40-minute pianistic outpouring—supposedly a concerto-without-orchestra in three distinct movements, though the internal demarcation lines are not immediately obvious—is like overhearing the delirious midnight improvisation of a brilliantly eccentric pianist-composer who had breakfasted on Liszt, lunched on Rakhmaninov, supped on Skryabin, and rounded off his feastings with a nightcap of *Islamey* and *Scarbo*. The notes come in a torrent, fantasticated into exotically ornamented streams, punctuated by outbursts of martial pianistic gesture, occasionally and only briefly interrupted by a pause for air.

The torrent flows so fast and so insistently that the effect is soon, paradoxically, static. The ear soon loses all grip on the passage of musical events, on rhythmic movement, on harmonic progression, and surrenders itself to a whirl of sound the meaning and the purpose of which it little perceives. The experience is extraordinary. Elating—there is obvious and exhilarating mastery, of an unexampled kind, in Sorabji's command and fusion of virtuoso piano sonorities. Buoyant—it is hard for the senses not to be dazzled and invigorated by such coruscations. And, finally, weightless and negative, with nothing of musical substance to linger in the mind after the music has ceased, except for a chain of ill-comprehended physical sensations.

Record Review

The neo-classical style

by DAVID MURRAY

Bartok: Sonata for 2 pianos and percussion. **Stravinsky:** Concerto for 2 solo pianos. Sonata for 2 pianos. Aloys and Alfons Kontarsky and percussionists. DG 2530 964 (£4.35).

Bartok: Concerto for 2 pianos and orchestra. **Poulenc:** 2-piano Concerto. V. Lejsek and V. Lejsek and V. Lejskova, Brno State Philharmonic/Milos Konvalinka. Supraphon 11020 74 (£2.99).

Bartok: Piano Concertos nos. 2 and 3. Geza Anda, Berlin Radio Symphony/Fricsay. DG Privilege 2535 262 (£2.59).

Bartok: Violin Concerto no. 2 Kyung-Wha Chung, London Philharmonic/Solti. Decca SXL 6802 (£3.99).

Schoenberg: Wind Quintet op. 26. Vienna Wind Soloists. DG 2530 825 (£4.35).

Brian Ferneyhough: Sonatas for String Quartet. Berne Quartet. RCA Red Seal RL 25141 (£3.99).

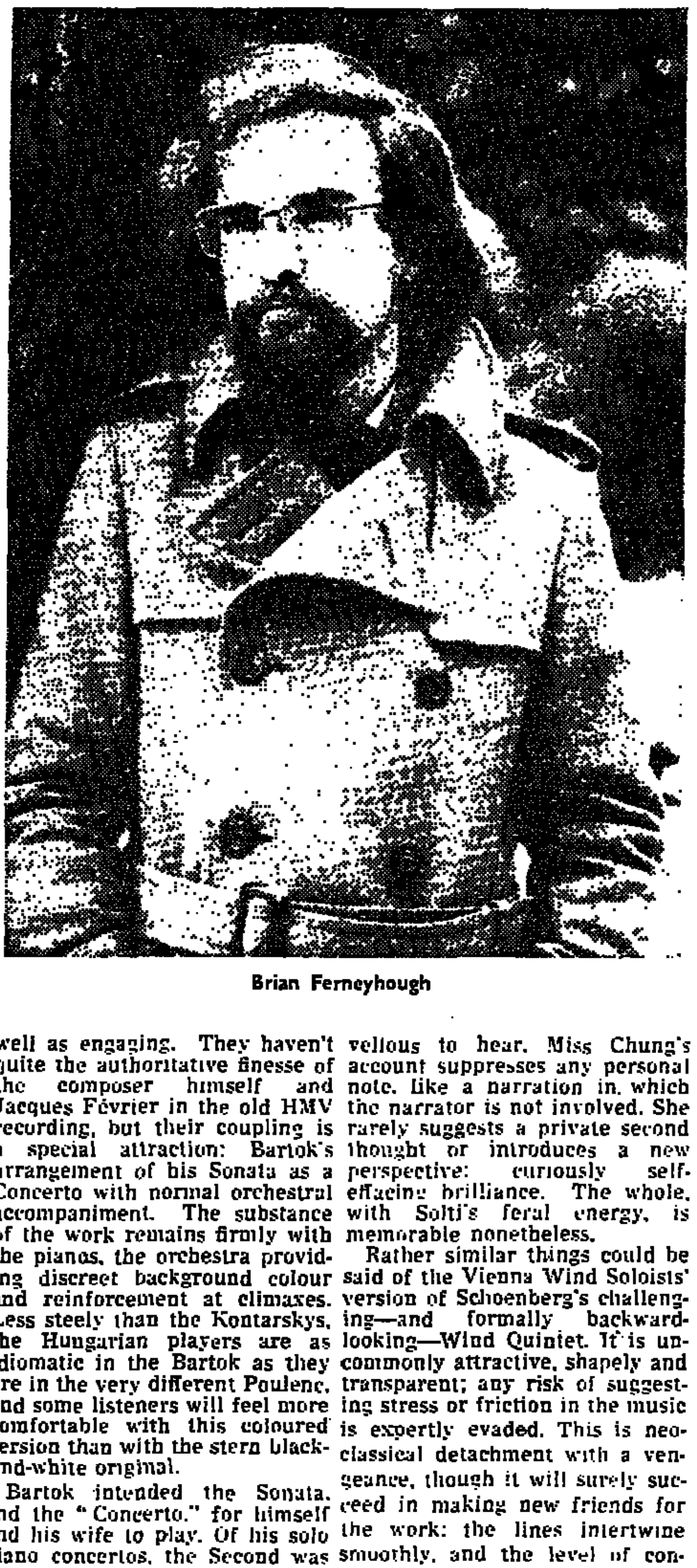
The "neo-classical" fashion in music of our century has been under-described. Few composers whose careers extended between the wars remained aloof from it, and the characteristic gestures are familiar: closed forms (especially antique dance-forms), double-dotted rhythms, formal ornaments, linear counterpoint, lip-service (generally ironic) to the old tonal conventions. But that is a catalogue of symptoms: was there a common core? The proselytes of serialism used to maintain that neo-classical composing was an admission of impotence, a mere retreat for want of constructive ideas: others saw in it a healthy reaction against the "excesses" of romantic self-expression, a renewed respect for music as a disciplined craft. Yet Schoenberg's own first essays in 12-note music were cast in neo-classical forms—and the toughness of the old tonal disciplines was, of course, utterly compromised by a style which licensed any amount of self-conscious wrong-

Stravinsky's famous dictum, that music expresses nothing (except itself), may not explain the neo-classical impulses, but it helps one to understand it. If the medium is not exactly the message, the way in which the composer exploits it is meant to supply its own interest and point. On a severe reading, the ideal performance would then be an ultra-lucid rendition of the score, without further emotional suggestions or expressive nuances; what feelings that may cause in the audience is an extraneous matter. The new record by the Kontarsky twins of Stravinsky's Concerto for two solo pianos and Bartok's Sonata, for the same plus percussion, offers just such performances: massively clear, superbly honed, inhumanly dispassionate.

They are extraordinarily impressive and daunting. They succeed, because these are works so richly complex that there is much for a brilliant clinical exposure to reveal. The Kontarskys add virtually nothing to what the printed scores demand, but they are acutely aware of how much that amounts to, and technically able to make it all excitingly plain. Perhaps only highly articulated masterpieces can survive this X-ray treatment; Stravinsky's smaller, milder two-piano Sonata sounds merely dogged here.

One suspects that the Kontarskys would have no time at all for Poulenc's two-piano concerto (with orchestra), wit and sentiment ladled generously into a vaguely Mozartean mould. The husband-and-wife team on Supraphon, Lejsek and Lejskova, bring the proper affection to it, and the result is duly affecting as well as engaging. They haven't quite the authoritative finesse of the composer himself and Jacques Février in the old HMV recording, but their coupling is a special attraction: Bartok's arrangement of his Sonata as a Concerto with normal orchestral accompaniment. The substance of the work remains firmly with the pianos, the orchestra providing discreet background colour and reinforcement at climaxes. Less steely than the Kontarskys, the Hungarian players are as idiomatic in the Bartok as they are in the very different Poulenc, and some listeners will feel more comfortable with this coloured version than with the stern black-and-white original.

Bartok intended the Sonata, and the "Concerto," for himself and his wife to play. Of his solo piano concertos, the Second was written for himself and the Third (when he was a dying man) for his wife; despite the athletic neo-classical manner of the one and the autumnal mellowness of the other, their solo parts are assigned almost Romantically individual voices, developing the musical material in personal veins. Geza Anda's 1960 performances of them, with Ferenc Fricsay, are welcome back on the Privilege label: candidly personal readings, lithe and elegant. The new recording of the Violin Concerto by Kyung-Wha Chung, with Solti and the LPO, is quite different. Stupendously faithful, magnificently executed and marvellous to hear, Miss Chung's account suppresses any personal note, like a narration in which the narrator is not involved. She rarely suggests a private second thought or introduces a new perspective: curiously self-effacing brilliance. The whole, with Solti's feral energy, is memorable nonetheless.



Brian Ferneyhough

Rather similar things could be said of the Vienna Wind Soloists' version of Schoenberg's challenging—and formally backward-looking—Wind Quintet. It is uncommonly attractive, shapely and transparent; any risk of suggesting stress or friction in the music is expertly evaded. This is neo-classical detachment with a vengeance, though it will surely succeed in making new friends for the work: the lines intertwine smoothly, and the level of controlled dissonance is made to seem the most natural thing in the world.

It is not too fanciful to detect the neo-classical impulse at work still, wherever the banner of a purely self-contained musical craft is raised. The 35-year-old Brian Ferneyhough has come belatedly to notice in his native Britain, and large claims are made for his highly-wrought music: Harry Halbreich calls his Sonatas for String Quartet, five years older than the staggeringly complex *Transit* performed here recently, "a worthy succesor to the late quartets of Beethoven." Its 24 continuous sections (hence "sonatas," in the old sense) occupy a whole record, magisterially played by the Berne Quartet, but Ferneyhough does not aim at post-Romantic monumetality There is no overriding dramatic curve; instead, quite simple musical elements are intricately, discursively developed—sometimes successively, sometimes at once. Unlike *Transit*, everything here seems to be open to the attentive ear. The variety of treatment is remarkably assured, and the level of strictly musical invention is consistently high. The question "But why so *much* of it?" is made to seem a bit Philistine—the implicit retort is that such intensely thoughtful exploration of the quartet-medium needs no further excuse. That may be: in any case, the music declares a craftsman of notable powers, one who is fiercely determined to construct his visions solely from the notes.

ENO's new season

English National Opera will mark ten years at the London Coliseum in August with a new production of *The Seven Deadly Sins*, the last Brecht/Weill collaboration.

The opera-ballet has been produced by Michael Geliot and the cast includes singer Julie Covington and dancer Siobhan Davies making their ENO debuts. *Seven Deadly Sins* is seen in a double-bill with Colin Graham's *Gianni Schicchi*, new last season.

The Magic Flute opens the 1978/79 season on July 28 with Eilene Hannan making her ENO debut as Pamina.

La Bohème is revived on July 29 with Lorna Haywood as Mimi and David Rendall as Rudolph.

Eiddwen Harrhy will sing Micaela in the revival of *Carmen* on August 4 with Ann Howard in the title role and Robert Ferguson as Don José. Rita Hunter will sing Santuzza and Lorna Haywood Nedda when *Cavalleria Rusticana* and *Pagliacci* are revived on August 31.

Iain Hamilton's *The Royal Hunt of the Sun* (produced by Colin Graham) received much critical acclaim at its Premiere in February 1977, and is revived with the same cast on September 27. The conductor will again be David Lloyd-Jones.

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Telephone: 01-248 8000

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Compromises on trade

NEGOTIATIONS over the next few weeks should determine, in outline though not in detail, the outcome of the so-called Tokyo round of trade negotiations. The *EEC Council of Ministers* has just finalised its negotiating position and the hope is that broad agreement among the main trading nations can be reached by the middle of next month, just before the Bonn Summit. The package which eventually emerges is bound to be a compromise between the *principles of free trade which* all the participants theoretically support and the real political pressures to which they are subject. No dramatic breakthroughs can be looked for, but if the Tokyo round preserves the framework of free trade, corrects a *number of deficiencies* in the present rules and keeps protectionist forces at bay, that will be a notable achievement.

Subsidies

One of the issues which could still cause trouble concerns subsidies and countervailing duties. The Americans are rightly concerned about the extent to which EEC countries are subsidising individual industries and want the right to *impose* countervailing duties on exports from those industries. The EEC insists that duties must not be imposed unless there is proof of *material injury. The U.S., in* turn, is only prepared to accept this if the EEC produces a list of the subsidies that are being paid; the Americans are deter*mined to obtain a fuller dis*closure of the numerous ways in which European governments, through subsidies, are distorting world trade.

Some compromise between the two positions should not be impossible: the Americans have been forced to accept that the abolition of industrial subsidies *in Europe is politically out of* the question. But the fact that this issue has become one of the sticking points should have driven home to European gov*ernments* the close connection between domestic employment-preserving measures and access to export markets. It is doubtful whether these measures are effective even in the domestic context: the external damage which they cause provides another strong argument against them.

A second issue is the right to take selective action against an individual country whose exports threaten to cause serious injury to a domestic industry. The Japanese are naturally concerned that they will be the main target of such moves and *have* sought to ensure that if selective action is taken it is strictly policed by GATT. Some EEC countries, particularly Germany, have argued that the *exporting* country should be consulted in advance—a point that has apparently been dropped from the EEC's final position.

It is probably true that the existing safeguard clause, Article 19 of GATT, does need *to be amended to enable* countries to deal with sudden, disruptive surges of imports from a particular source. The conditions under which such action can be taken need to be carefully defined, but it is preferable that selective protection *should* take place under agreed rules rather than unilaterally. It would be desirable, too, if agreement on a new safeguard clause could lessen the need for *orderly marketing arrangements* and other bilateral measures which come under the heading of "organised free trade." However, the Americans have made it clear they will continue to use such devices if circumstances make it necessary to do so.

The conflict between the goals of the Tokyo round and domestic politics is most obvious in the case of agricultural products. The EEC is not about to dis*mantle the Common Agricul*tural Policy. Both the Japanese and the Americans have farming lobbies which are too powerful to be ignored. The U.S. wants *improved access for its farm* exports to the EEC, as do Australia and New Zealand. At this stage the European offer on farm products seems inadequate.

Tariffs

On industrial tariffs, there is pressure on Japan to improve its offer and, on the European and American sides in particular, there is a long list of possible exceptions. But the level of tariffs is not the main battleground. Non-tariff barriers are being used increasingly, and especially in Europe, as a means of evading the social and industrial adjustments which ought to take place in response to international competition. The aim of the pre*sent negotiations must be to* halt this slide into concealed protectionism.

Compassion and realism

RECENT events in steel and shipbuilding, to cite just two examples, have amply demonstrated the futility of spending *money* in the hope of putting off disagreeable changes and thereby saving jobs. The attempts are not *only abortive*: they invariably delay the recovery of prosperity both by the firm or industry concerned and by the areas in which the *closed plants are located*. Fortunately, this lesson now seems to be sinking in. When the Prime Minister was questioned in the Commons last month about the Port of London's proposals to close the remaining upstream docks in East London, he told *MPs that commercial criteria* must be the test. There will be no long-term future for this country, Mr. Callaghan said, *if* we continue permanently to subsidise facilities for which there is no use.

Balanced

This was a commendably *forthright* lead considering the strong political pressures the PLA's proposals have aroused. London's dockland is the classic example of the decaying inner city upon the revival of which the Government has been placing so much store. And if the PLA's desire to re-base itself upon its new port facili*ties at Tilbury is to be properly* implemented, the inflexibility of the dock labour scheme will have to be breached so as to enable the Authority to deploy *a balanced labour force*.

As the Prime Minister has doubtless realised, the issues can no longer be ducked. London's share of the nation's trade *has been declining* for years. The swing to containerisation has reduced the traffic the upstream docks can serve. Inter-union squabbling, resistance to modern working practices, insistence upon overmanning, and the statutory retention of dockers who are unfit or for whom there is no conceivable requirement has made it impossible for the PLA to offer its customers the service and the price they expect and can obtain elsewhere. The attempt two years ago to keep some upstream docks open in response *to offers of greater efficiency has led to* no lasting improvement. The losses the upstream docks are incurring—£7m this year and more to come—are denying the *rest of the port funds for new* investment. Without a large injection of public funds, the Authority will soon be unable to pay its weekly expenses.

Given £50m. to cover losses and provide for new investment, the Authority reckons that it would have a reasonable chance of becoming viable again by the early 1980s. *But* this would mean not only closing all upstream docks this year *but* also halving the present labour force and freedom to recruit and train younger and fitter men at Tilbury. Talks have been going on with the *unions about a modified plan* involving the retention of certain docks in return for changes in working practices and a phased reduction in the labour force. *There would be* obvious attractions for both the Authority and Ministers in an agreed solution which avoided confrontation. But the auguries *are not encouraging. Offers to* improve working practices have been made before. And the unions are insisting on their being no closures at all.

In any case, the operation of the dock labour scheme will *need to be changed if the PLA* is to be freed of the burden of paying men for whom, because of their age or health, there is no work. Either the Govern*ment takes over the burden or* it offers to buy them out. The present voluntary redundancy arrangements have proved insufficient. The social and *political* difficulties are not to be under-rated, and the price of combining compassion with commercial realism will be high. But, having perceived that the only lasting solution for the port of London is a commercial one, Ministers must not let their resolution flag.

Peru's struggle with the world monetary Fund

By HUGH O'SHAUGHNESSY in Lima

NEXT MONTH the military Government of Peru, *battling with the most* severe foreign exchange crisis in the country's history, will start another round of negotiations with the International Monetary Fund for a stand-by credit of several hundred *million* dollars. With a number of developing countries in a similar critical position the outcome of these talks and, more significantly, the political *effects in Peru of any IMF* austerity plan accepted by the Government, will be of more than local interest. They will form an important case study *of relations between the Fund* and the developing world.

Peru's *unhappy* position can be summed up briefly. The trade balance which in 1973 was *in surplus to the extent of* $79m., by 1975 was showing a deficit of $1.1bn and, despite the most severe import restrictions, will this year, it is offi*cially estimated, will be in the* black by no more than $36m.

Borrowings have mounted so that the total long term foreign debt comes to $6.1bn, $4.8bn *of this being attributable to the* public sector. The total foreign debt, short-term and long-term, public and private is $8.3bn. The servicing of this debt is expected to consume more than half the country's export revenue this year and more than two-thirds next year if relief is not granted.

The net *foreign position of* the central bank (reserves less short term liabilities of the Central Reserve Bank) has fallen from $700m at the end of 1974 to a liability close to $1.3bn today. The inflation rate in the first five months of 1978 was 34 per cent.

The Peruvians have got them*selves into this nightmarish* situation by a combination of bad luck and bad management. In a brutally frank exposé of the situation a fortnight ago Sr. Javier Silva Ruete, the Minister of Economy and Finance, set out eight basic reasons for the crisis which included the maintenance of an excessively overvalued currency, the sol, for much too long, the establishment of industries which were too dependent on imported goods, unproductive public sector investment, sharply declining terms of trade as the prices of Peru's oil imports went up and those of Peru's commodity exports fell, excessive arms purchases and the bunching of foreign debt commitments.

"Some of our decisions were abysmal," one senior official remarked to me here, "for instance, when coffee prices rocketed a few years ago after the Brazilian frosts there we were uprooting coffee bushes and planting something else."

In a move to fight off the impending crisis the Peruvian military Government came to an agreement in 1976 with a group of private foreign banks which involved a stabilisation scheme with a 44 per cent devaluation of the sol, better treatment for foreign investors and the selling *of some state* industries to private investors. The banks, led by Citibank, were to monitor the Government's performance and provide $200m for five years at 2¼ per cent over London inter-bank offered rate. European and Japanese banks were to lend a similar amount.

When last year the Government had to seek further help the banks decided that their monitoring of the economy was too controversial and difficult to accomplish and said they would not lend without the participation of the Fund. At the end of last year after agonised negotiations Peru signed an agreement with the Fund under which the budget deficit was to be cut by two-thirds and inflation was intended to be reduced by half in return for $100m of Fund money to be disbursed at two-month intervals over two years.

PERU'S EXTERNAL PAYMENTS
U.S.$m

	1976*	1977†	1978†
Merchandise trade	−741	−438	+ 36
Invisibles	−509	−545	−528
Current account	−1,192	−926	−435
Long-term capital	+675	+674	+256
Basic balance	−517	−252	−179
Short-term *capital‡*	−357	− 98	*n.a.*
Overall balance	−868	−350	n.a.

* Preliminary
† Estimate
‡ *Including errors and omissions*
Source: Central Reserve Bank of Peru

The Fund has since alleged that the Government has not kept its side of the bargain and has halted its disbursements. *This has* put the private banks in a state of uncertainty and last month as a result Peru literally ran out of foreign exchange. This rock-bottom *position was relieved for a few* weeks only after the Central Reserve Bank raised $86m over the telephone from Argentina, Brazil, Spain, Mexico, Venezuela, and the Dominican Republic.

The Government has reached an interim agreement to get a further $185m from foreign *banks to bail out the public* sector until the end of the year, but a longer term solution still has to be worked out. Sr. Silva Ruete has said that last November's "impossible and absurd" agreement with the Fund will have to be scrapped and a new deal worked out in the next few weeks.

Battle between Peru and the Fund will be joined on three principal topics. The Fund wants to see the sol move from its present parity of nearly 155 to the dollar to 200 straight away, while the Government sees the 200 figure as an extreme target it would not want to reach until the end of *the year*. The Fund appears to want the budget deficit cut from the present 55bn soles to around 28bn while officials say it would be impossible to *trim it more than 5bn* soles without major political and administrative chaos.

The Fund will doubtless also seek a cut of loans to the private sector. That would be sure to provoke a big wave of bank*ruptcies* which will further swell Peru's queues of unemployed.

The feeling among many officials here is one of anger and apprehension about the *forthcoming confrontation* with the Fund. Saying that the IMF officials in Washington show *little* understanding of the particular circumstances of developing countries with balance of payments problems, one senior government figure commented, "if you're in foreign exchange difficulties the Fund wants you to depress demand till there's a surplus in the economy, then simply export that surplus. They don't admit that depressing demand in an economy as poor as ours creates starvation conditions and that anyway there are often no established channels for surpluses to be exported."

Another official added, "the Fund has one basic remedy for its patients, a dose of purgative, irrespective of whether the patient is suffering something comparable to heart disease, liver infection or any other illness."

The two principal questions facing the Peruvian negotiators and the Fund are, how far will the Peruvian public be willing to swallow what is sure to be highly unpalatable medicine when they are still suffering from the austerity measures introduced months ago, and to what extent will the military have to scrap its plans for a return to civilian rule and use violence to force the medicine down?

The devaluation already decreed coupled with the cuts in subsidies on staple foods introduced as a way of reducing the budget deficit have over the past year brought about great *unrest, rioting* and death. The drop in the living standards of almost all classes of Peruvians has already been dramatic. The wage index which in 1973 stood *at 114.1 last year fell to 74.1* while the salary index fell from 106.4 to 83.8.

Many Peruvian officials believe that another round of severe deflation would put paid to any hopes that the military Government had of turning the country back to civilian democratic rule. "After the 1973 coup in Chile General Pinochet cut the gross national *product* by 16 per cent and had to spill a great deal of blood *to do so. He still didn't satisfy* the Fund. So what chance have we *got of getting another* austerity programme to stick without the use of the methods he used?", a Central Reserve Bank official commented.

At the moment the military Government is engaged in the extremely delicate political exercise of returning the run*ning of the country to civilian* hands. Peru has been ruled by the military since 1968 when a radical officer, General Juan Velasco Alvarado, seized power *and started* a programme of root and branch reform of a society which in many aspects had changed little since the time when it formed part of the Spanish Empire.

A great deal of modernisation was accomplished by General Velasco, particularly in the realm of agrarian reform. Helped by the *stimulus* given to the economy by his ambitious development plans the growth averaged 5.5 per cent in the period from 1969 to 1973 and industry grew even faster. Wages and salaries went up by an average of 6.6 per cent a *year and unemployment* fell. The reserves went up from $131m in 1968 to $411m in 1973. Big plans to exploit copper and oil persuaded foreign banks to lend liberally to Peru and *the* external debt almost tripled between 1968 to 1974.

In the latter year the world recession hit Peru, a fact which *coincided with the exhaustion* and ill health of General Velasco. In August 1975 he was replaced by a more conservative and cautious figure, General Francisco Morales Bermudez who soon made it clear that he felt that the difficulties of governing a country in recession were too much for the army and that the military should make arrangements to step aside in favour of civilian politicians. Last year *he* announced a two stage plan which would allow the soldiers to go back to their barracks by 1980, the election of a con*stituent assembly in 1978*, and a civilian government by 1980.

The result of the elections on June 18 for a constituent assembly charged with the task of preparing a new constitution and general elections in 1980 indicate that resistance is stiffening to any new austerity measures. The Left got a third *of the vote*, 50 per cent more than many observers had forecast and within the Left the more radical parties did better than the more moderate and flexible *Moscow-line* Peruvian Communist Party. "It was a vote of desperation," one political journalist commented.

Among some businessmen in Lima there is a belief that the civilian politicians in the Con*stituent Assembly* will be unable to accept any new agreement reached with the IMF however skilful the Peruvian negotiators may be in reducing the severity of the Fund's demands. "In the *end I think either* the Fund will have to go or the Constituent Assembly, and the return to democracy will have to be cancelled. I don't think the Fund *will go*. In any case the Peruvian economy would be in poor straits indeed without the Fund's aid," a Lima banker predicted.

Officials warn that if the Fund presses them too hard to take what they consider to be disastrously deflationary action they will refuse to sign any agreement. In practice they know that a failure to sign with the Fund would obliterate any hopes the Government had of getting funds from foreign private banks. And the result of that would be an ever greater foreign exchange crisis coupled perhaps with *sharply increased* inflation as the sol dropped on the foreign exchange markets and the price of imports increased.

As the date of the negotiations approaches the Government is doing what it can to win the support of its friends among the richer member nations of the Fund. Capitalising on the fact that the military Government is taking concrete steps to put the government back into civilian hands and thus harmonise with President Carter's policy of *liberalism in Latin* America, the Peruvians are making a strong pitch at the White House, the State Department and the U.S. Treasury. They have not been *totally* disappointed and Mr. Michael Blumenthal is reported to have taken time off to study the Peruvian case and promises a *sympathetic U.S. attitude.*

President Morales Bermudez is principally counting on the fact that if too severe a deflationary package were forced on Peru and if this package in its turn led to an aborting of the return to civilian government after 10 years of military rule it would be a major defeat for President Carter's policy of liberalisation in Latin America.

In an interview, Sr. Silva Ruete said: "We have had very positive indications of support from the Carter Administration and from Western Europe." But he added, "We still need help and we need it fast."

Glyn Genin

Mr. Michael Blumenthal (left), U.S. Secretary of the Treasury, is studying the financial problems of Peru as President Morales Bermudez (right) tries to steer the country back to civilian rule.

MEN AND MATTERS

On parade after Prentice

After the fracas over Reg Prentice, who finally deserted them to join the Conservatives, the Labour Party members at Newham North East have been poring over the entrails as they *try to pick their winner for* next time round. The seat has long been a Labour stronghold, with the Labour left firmly in control of the constituency party. Some time ago Andy Bevan, the radical Labour Youth Officer moved into the area and was deeply involved in the dispute over Prentice. Yet it seems that his close ally, Nick Bradley, representative of the Young Socialists on Labour's *National Executive Council*, is unlikely to win nomination. He is one of the candidates on the short-list which is to be discussed by the local party on *July 5*.

An ardent advocate of "Clause Four" policies *for* extending public ownership, Bradley is reportedly considered to be associated with one group, rather than having *the wider support* assured to another on the short list, Jimmy Dickens.

Dickens held Lewisham West for Labour between 1966 and 1970 and is now Assistant Director of the Manpower Services *Division of the National Water* Council. In Parliament ten years ago he was a *prominent* member of the Tribune Group, but in Transport House he is considered the favourite for nomination—not that that is necessarily a *credential, given* the local Labour activists' groundswell against the present Government.

Linking canals

I suppose if you are steaming through the Suez Canal *in a* convoy the billboards along its sides must add a *bit of colour*—all four of them on the West bank and only one, bravely, on the East. But with a total of only five boards along its *90-mile length, you could hardly* say it was a site in demand. Still Mahmoud Rasheed, who has the concession, tells me that "Peace is coming and then the *panels will flow*." And, *perhaps* more realistically, that the agreement he hopes to reach with the Panama Canal authorities will boost business.

It would be the first such link between the two canals but Rasheed, who is visiting London, assures me the Panamanian ambassador in Cairo is *enthusiastic. So, he trusts*, they will soon be having their 90 and 120 square metre boards rising in Central America—perhaps a little more permanently than *those in Suez. Rasheed told me* plaintively that during the last fighting his billboards, all 29 of them, disappeared. He could not think what had happened to *them*.

Paying out

Those who cast around for reasons why Britain's industrial *might has declined sometimes* blame the drop in the status of engineers since the era of Brunel and his contemporaries. But if money is any criterion, *the latter-day Brunels are doing* quite nicely. The company in Britain paying the highest average wage to its employees is John Howard, the civil engineers: the figure is £7,674. This nugget comes from Jordan's "Top 1,000 Private Companies," published yesterday. Moreover, five of the ten top private companies paying more than a £5,000-a-year average, are in civil engineering. Among public companies, the top payer (average £6,754) is also in engineering—Wilson, Walton, which specialises in marine and *offshore work*.

When I talked to several civil *engineering firms yesterday* and asked why they were so munificent—by British standards, of course—they seemed wary, even alarmed. Several seemed fright*ened that by admitting they paid* well would seem indecently rash and unpatriotic. One of the new pace-makers among private companies, Tileman of Richmond, assured me that the big money went to "men who get dirty out in the field," and that a rush job on the Ninian Field in the North Sea had bumped up the figures. But Humphreys and Glasgow, third in the table with a £5,370 average, assured me that in the *process plant* engineering business "highly specialised graduates earn big money."

Price war

The continuing fracas between *Sir Frank Price, chairman of* the Waterways Board, and the Government, may have a bearing upon decisions about the English Tourist Board. The *chairman of the ETB is Sir Mark* Henig, aged 71, and he is now in his final year of office. A likely successor, who is already on the Board, would seem to be Price, *aged 56. I understand*, however, that Ministers at the Department of the Environment are so vexed with his public utterances that he has put him*self out of the running*.

Asked if it were true that he *has been warned* that he is now *persona non grata* for future official appointments, he replied: "I would like to make no comment. Good afternoon."

Not so blue

There will be little to joke about in *Granada's forthcoming* TV series on the "nuts and bolts" of the British economy. But I learn that Hugh Scanlon provides one in this Sunday's pre-recorded *discussions* on productivity. He tells how when he talks to sixth-formers he always hears, in the question*times, that Scandinavia is* "a worker's paradise." His stock riposte, until recently, was: "Have you ever seen a happy Swede?" Then a boy at one *school said*: "*Yes, in a* blue movie." Scanlon ruefully admits: "I've never used that line again."

Wide view

The new city museum in Stoke-on-Trent has not been built without controversy. The cost, which has climbed from £1.5m to more than £2.2m, is now being borne by the Staffordshire County Council. The construction programme has fallen behind schedule and the formal opening will not be until the *end of this year*.

But in one area the museum is about to set a positive record. Over its main doorway a mural is now being put into place, *depicting the history of Stoke*. It has been designed by sculptor-potter Frank Maurier for G. H. Downing Ltd., the makers of facing and engineer*ing bricks. The mural is 33* metres long and four metres high: it has more than 6,000 pieces. The only bigger thing of its kind in existence was *made in 800 BC and is now in* the Berlin Museum.

Limiting liability

From Brighton comes the story of a young couple who hunted down the local vicar on Saturday morning and told him they wanted to get married. "When?" he asked, to be told "Now."

"I'm sorry," the vicar replied, "but it just cannot be arranged at such short notice." "Oh, dear," said the young woman, *continuing* "*Could you possibly* give us a cover note just to tide us over the weekend."

Observer

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ECONOMIC VIEWPOINT

A lethal cure for a dubious disease

WHOEVER invented the word "deindustrialisation" deserves a medal for the least arresting slogan of the decade. "There now follows a programme on deindustrialisation" would be an even better inducement to switch channels, or let the cat out, than the announcement of a party political broadcast.

Yet the word refers to a real, if vaguely defined, controversy. Believers in deindustrialisation come from all parts of the political spectrum and espouse different remedies. The unifying feature is that they take very seriously the drop in UK manufacturing employment from 8.7m to 7.4m in the decade up to 1976, which David Freud discussed in detail on this page yesterday.

The ordinary supply-and-demand economist would say that this was due to some combination of a general increase in unemployment and of a shift in the composition of demand, or of UK comparative advantage from goods to services. The upholder of deindustrialisation maintains that it is a sign of a much deeper malaise, which, unless checked, will make this country an island of depression and mass unemployment.

The National Institute of Economic and Social Research (NIESR) held a useful and partially representative conference this week on the issue—the proceedings will be published later this year.

There are roughly two schools of deindustrialisers. One group sees the trouble arising from the expansion of public spending and public sector employment. The other sees the trouble in excessive import penetration and sees the remedy in import controls.

The first thing that emerges from the data is that deindustrialisation, in the original sense of a falling proportion of employment in manufacturing industry, is either not a disease at all, or one from which many other countries suffer as well. The U.S., Sweden, the Netherlands, and Belgium all had falls in the ratio of industrial to total employment in 1965 to 1975 of comparable size to Britain's. Germany and France just about maintained the same manufacturing ratio, while Japan and Italy were exceptional in increasing theirs. These facts emerged from what was probably the best of the conference papers—a summary of evidence by C. J. F. Brown and T. D. Sheriff of the NIESR.

The diversion of labour to the UK public sector is only superficially a good explanation of UK trends. Between 1966 and 1976 public service employment rose by 1.4m. This was twice as big as the drop in total employment and nearly three quarters as great as the fall in employment in the "index of production" sector. But as the Registrar General, Mr. Roger Thatcher, showed in his paper, well over 1m of the increase in public service employment consisted of women—most of them part-time—and it is a little implausible to maintain that they were diverted from manufacturing industry.

Sir Alec Cairncross asked pointedly whether the U.S. was not also suffering for deindustrialisation. Not only have there been similar manpower changes in the two countries, but the U.S. share in world trade in manufactures has fallen faster than Britain's and the trend of import penetration has been at least as severe. Lord Kaldor freely admitted this, but added that because the world was on a dollar standard the U.S. could still offset the adverse employment effects by budget deficits, and that the U.S., being out of the EEC, could impose import controls at any time.

The movement of profits suggests that the UK switch from manufacturing to private services was—so far from being an aberration—a reaction to normal incentives. The Brown-Sheriff paper has a table of gross profits as a proportion of net output, after stock appreciation and capital consumption. For manufacturing, the profit margin calculated this way fell from 19.3 per cent in 1966 to 3.4 per cent in 1976. In services it fell only from 29.8 per cent to 27.2 per cent.

CHANGES IN UK EMPLOYMENT, 1966-1976

('000)

	Males	Females	Total
Index of production industires	−1,438	− 536	−1,975
Private sector outside production industries	− 334*	+ 215*	− 168
Public sector outside production industries	+ 366*	+1,063*	+1,429
TOTAL	−1,455	+ 741	− 714

* Estimated

Source: Department of Employment

In the end, deindustrialisation turns out to be another name for the old current balance-of-payments worry. The balance has improved in services and has deteriorated in manufacturing. But, the argument runs, manufacturing exports are still twice as important as service ones; it will, it is said, be only possible to balance overseas trade at a reasonable level of employment if there is a large improvement in manufacturing performance.

In fact the *fall* in the British share of world manufacturing exports came to an end in 1973, as did the fall in the UK share of OECD manufacturing output. But the "deindustrialisers" regard this recent stability as exceptional and argue that the uncompetitiveness of manufacturing will lead to ever-increasing UK unemployment.

The Brown-Sheriff paper shows that, after allowing for exchange rate depreciation, the cost and price competitiveness of British goods did not deteriorate and probably improved over the 1960s and the 1970s. The trouble is therefore attributed to non-price factors. There is some uncertainty about whether the British appetite for imports—the income elasticity of demand—is abnormally high. But what does seem statistically clear is that the income elasticity of world demand for British exports is abnormally low. As the authors say, "Not only do foreigners not want our goods, neither do we."

But even this, as they emphasise, can be open to misinterpretation. Many conference participants stressed that supply side bottlenecks make it difficult for British industry to respond effectively to any rise in world incomes, even when foreigners would otherwise want our goods.

The Cambridge Economic Policy Group (CEPG) contribution came from Mr. Ajit Singh. He repeated projections showing 1.8m unemployed in 1980 and 4.6m in 1990, even if international price competitiveness is maintained. To keep unemployment at roughly present levels would involve in his view a *real* depreciation of sterling, over and above that required for competitiveness, of 4 per cent per annum—or an eventual reduction of UK relative costs of 50 per cent in all.

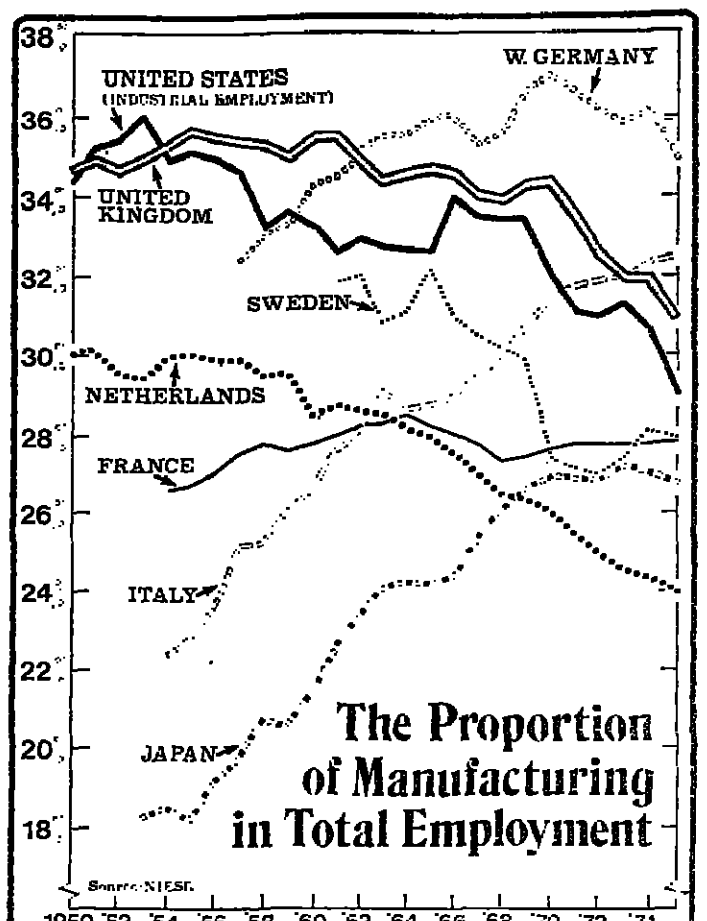
Mr. Walter Eltis queried the basis of the Cambridge pessimism. In particular he showed that the big rise in import penetration was not a continuous growth, but a series of jumps in periods of boom and supply bottlenecks, such as 1963-4, 1967-8 and 1971-3. He also suggested that the limited past response to devaluation was also due to supply side bottlenecks, arguing — very reasonably—that the stabilisation of UK export shares after 1973 reflected the increased margin of spare capacity. Moreover, the Cambridge estimate of required foreign exchange earnings could in his view have been based on too *optimistic* a view of the growth of UK productivity.

Interestingly enough, another rival group of Cambridge economists—entitled the Cambridge Growth Project — also conferring this week, came to apparently equally pessimistic conclusions on the basis of a micro model built up from analysis of 40 different industries. The alternative Cambridge view asserts that to prevent an excessive current surplus in 1985—due to North Sea oil — the basic rate of income tax could be reduced to 20 per cent, VAT abolished or Government spending increased by 30 per cent. But then even unemployment would be 2 to 2½ million.

This other Cambridge team, unlike the CEPG and in common with Eltis, considers, however, that a much smaller effective devaluation—15 per cent by 1985—would turn the scales, hold unemployment at its present level and allow real consumption to grow at 2 per cent per annum.

In presenting the CEPG projections Mr. Singh goes a little beyond the blanket advising of import controls. He admits that any increase in demand they made possible would soon come up against supply limits, and advocates a forced increase of £2bn per annum of manufacturing investment. Even then he does not think import controls could be lifted before 1990, and probably much later.

The interventionist strategy which most interests Singh is that of the Japanese "Government-industrial complex." He quotes a Japanese Minister justifying (with hindsight) the post-war strategic decision to invest in heavy and chemical industries, even though they seemed uneconomic on post-war international cost comparisons. A characteristic intervention was to forbid ethylene production in plant of less than 300,000 tons capacity. Singh fears that an interventionist British policy, using planning agreements and an expanded NEB "may be resisted by the business community." The Government may then "have to underake investment activity directly, impose stringent exchange controls and ultimately perhaps even nationalise the multinationals in this country."



The Proportion of Manufacturing in Total Employment

In my view we shall not progress very far by throwing rival projections at each other or swapping horror stories of the future. There is a mechanism known as the market, which conveys far more information than any computer can handle, disperses it more widely and also provides incentives to act on this changing knowledge. What we need is neither worship, nor condemnation, of the market, but a study of to what extent and why its signals and incentives have become distorted, and how they can be improved. Import controls would simply cut off the few remaining signals and incentives in the mere hope that the UK would emerge better able to face world markets decades later. They are a lethal cure for a dubious disease.

Samuel Brittan

Letters to the Editor

Top salaries review

From the Chairman, Association of Members of State Industry Boards

Sir,—Members of this association—representing full-time public board members, paid salaries well below those attributed to national chairmen—welcome the support of Mr. John Lyons of the power engineers, but note your report (June 26) that Mr. David Basnett, chairman of the TUC, said that increases should be restricted to the 10 per cent permissible under Phase III guidelines. This, despite the fact that no effective salary adjustment has been given to board members since 1972 and that the Government has repeatedly undertaken to rectify the present position as soon as possible. Would Mr. Basnett be prepared to accept as adequate this year a 10 per cent increase on the 1972 salary levels of his own members?

It is of crucial importance to an understanding of the position that the public should be made aware of the following facts. The value of board members' salaries has been halved in real terms since 1972. Public board members alone received no increase in pay in 1975. At that time the Government authorised payment (in whole or in part) of the increases then recommended for all other senior public servants. Public board members have not challenged the pay policy itself. They have, however, resented the application to them alone of a selective pay policy which is *different and much harsher* than that applied to any other section of the community.

The implementation of these differing and inconsistent Government pay policies has resulted in board members receiving some thousands a year less in pay than those immediately responsible to them. Even Fred Karno paid his sergeants more than his corporals!

The terms of the new Boyle Report have not yet been published, but it seems inconceivable that the report will not recommend the removal of this discrimination. Certainly, the continuance of the present chaotic situation would perpetuate a most grave injustice and would undoubtedly have the most serious repercussions on the efficiency of all nationalised industries.

D. G. Dodds.

c/o Merseyside and North
Wales Electricity Board,
Bridle Road,
Bootle, Merseyside.

Taking the treatment

From the Group Managing Director, Cable and Wireless

Sir,—The report by Philip Bassett (June 26) on the subject of the Boyle salaries review quotes union leaders as saying that their members would expect similar increases if the Government implements the 70 per cent pay rises for chairmen of nationalised industries proposed by the Boyle review.

As the Boyle review has not as yet been published I have no means of knowing 70 per cent is indeed the figure recommended, but assuming it is, its application would be to salaries that have moved hardly at all since 1972.

Do union leaders really want similar treatment for their members?

P. A. McCunn,
Mercury House, Theobalds Road, WC1.

Westland wages

From Mr. C. Hand

Sir,—May I as a small shareholder in Westland Aircraft be allowed to comment on the letter from Mr. M. Webber (June 27).

One could ask many questions. For instance, who opposed the piecework scheme, the piece workers or the day workers?; why was it opposed?; why was the offer of a flat rate scheme withdrawn etc.? But the sooner the past is forgotten the better for all concerned.

What matters now is the future and I would offer a suggestion to both sides. Why not agree a day-wage rate (or hourly)—allowing for differentials for skill—this rate to be supplemented by a bonus, payable to all workers, for every helicopter completed. Obviously, the bonus would vary for different types of helicopter and as helicopters differ from, say, saucepans, there would be high weeks and low weeks as completions were made or not. This would obviously affect PAYE deductions and there would be moans in high weeks but surely this could be explained to the workers. Another complication would be spare parts but given goodwill on both sides these difficulties could be ironed out.

This scheme would enable the workers to maintain their weekly rates of pay through increased productivity as obviously things cannot go on as they are.

I have twice mentioned both sides but the sooner they realise we are all on the same side and sink or swim together, the better.

Clifford Hand.
3, Newlands Close,
Sidmouth, Devon.

Cover for Leyland

From Mr. C. Owens.

Sir,—In my experience, the British insurance market has always been prepared to offer risks, albeit on rates and conditions which they hope will show them a profit.

I find it unfair for British Leyland's insurance manager to criticse (June 27) the U.K. insurance company market: if he checks the problems faced by British Leyland in 1969 in arranging fire insurance for the group, he will find that without the major British companies' support, British Leyland would have been unprotected. I was involved insofar as the leading insurers sent me, as an independent, to America to place as much cover as I could. After contacting some 50 insurance companies, I succeeded in obtaining only 4 per cent. The main reason for refusal was solvency margins in the American market at that time. Without the British companies' support, British Leyland would have been exposed to bankruptcy from fire damage, and the loss of profits arising therefrom.

With regard to the problem of products liability, due to the modern practice of consumer protection, insurers are being asked to forecast a situation in terms of cost and liabilities that will arise in, say, 10 to 20 years' time, a difficult crystal ball operation, without inflation, but with it, a prudent insurer can only see "a pocket with a big hole." An historical precedent could be shipowners' liability some hundred years ago, when the leading maritime nations produced legislation limiting liability to third parties, as otherwise shipowners would have found the cost of protecting themselves prohibitive. Similarly, aircraft operators have partial protection from the "Warsaw Pact." To further international trade, perhaps some similar legislation could be devised in respect of products liability.

A final word of warning to British Leyland's insurance manager, and others of a like mind, is that the American insurance market has a history, certainly in my 30 years' experience, of withdrawing from markets when losses start piling up, and not just withdrawing from unsatisfactory accounts in a particular class of business, but from that class completely. Has not American folklore given us the expression "Take to the hills"? The old saw "History repeats itself" is particularly true of the insurance business, and in my opinion, will prove to be so in the next two or three years.

C. E. Owens.
19, Wilton Place, SW1.

Local authority accounting

From the Comptroller of Financial Services, Greater London Council

Sir,—Mr. R. Godin (June 26) implicitly assumes both fundamental weaknesses and apathy in local authority accounting. His heavy criticism is based upon the presumption that the district auditor's report on certain aspects of the direct construction branch comes as a surprise to Greater London Council

This presumption is wrong. The current district auditor's report represents *one aspect* of a situation to which the council was alerted by internal financial reports some time ago.

It is perhaps understandable that Mr. Godin would not be aware of the context within which the performance of direct construction in Greater London Council needs to be assessed nor of the work which the small band of internal accountants and auditors supplemented by external accountants have undertaken both in developing and applying the Chartered Institute of Public Finance and Accountancy recommendations for accounting for direct works undertakings: and in participating in the difficult decisions relating to the management and future of direct construction.

What is inexplicable to me is that any professional accountant should make substantial criticisms without establishing the minimum basic facts. What future has Mr. Godin's (and my) "beloved profession" of accountancy if members of it are so ready to display their unfitness to form a true and fair view of each other?

M. F. Stonefrost.
Treasurer's Department,
County Hall, SE1.

Decay of London

From the Honorary Secretary, Inner London Consultative Employment Group

Sir, — While congratulating Messrs. Brennan and Churchill on their June 15 article, it was unfortunate that more importance was not attached to the need for the national publication of unemployment figures for Inner London.

We agree that London has neither the powers nor the political influence to set itself to rights. Further, London's problems will not receive full recognition so long as the Department of Employment continue to bury the disastrous inner London employment figures in the general statistics for the South-East.

Obviously you have to clearly define a problem before you can effect a cure. The Department's refusal to publish separate figures can therefore only mean further delay leading to further industrial decay.

R. F. Couchman,
Town Hall,
Wandsworth High Street, SW18.

Better pension deal

From the Assistant General Manager, Standard Life Assurance Company

Sir,—In his article "Paying for a better pension deal" (June 27), Joe Rogaly suggests that "In later life those who want to work past 60 or 65 must be permitted to do so with perhaps only a modest reduction in actuarially based pensions if the arithmetic can be so arranged." I have some doubts about the arithmetic but perhaps I should have more about my social attitude, as if I were to work beyond 65 I would hope to receive an increase in my pension!

A. U. Lyburn,
PO Box No. 62, 3, George Street,
Edinburgh.

Perpetuating a myth

From Mr. W. Armstrong

Sir,—The letter from the Director of Public Relations, Post Office, June 19, is itself "perpetuating a myth." The last increase in telephone charges was over 60 per cent at a time of supposed national price and income restraint. One might expect a few years of "stability" after that! Meantime charges are so exorbitant that profits have become high to the extent of being grotesque.

William Armstrong.
17, Deepdale Avenue,
Scarborough.

Chipboard mills

From the Chief Executive, Economic Forestry (Holdings)

Sir,—The forest industry must be concerned at the implications of your special correspondent's article "Imports squeeze UK mills" (June 27) where the forecast closure of chipboard mills will inevitably lead to loss of jobs in forestry.

It will surely be recognised that a healthy chipboard manufacturing industry is essential to woodland owners, both state and private, to provide the markets necessary for increasing volumes of home grown wood in the form of first thinnings and sawmill residues. Certainly, your correspondent suggests that the industry is far from healthy but whether the solution lies in pain-killers such as import quotas or in the patient taking more exercise by way of producing the right specification at the right price for the market is a matter of opinion.

On November 2 last, in a letter, Mr. Sacks regretted that his company had "... consistently endeavoured over the last 25 years to use UK chipboard whenever possible ..." without success. If the chipboard manufacturers believe that their function is to supply the product required by the buyer, how much time do they need to tool up for that product? If they can answer this, maybe Government could support them by providing the necessary breathing space.

John Campbell,
Forestry House, Great Haseley,
Oxford.

Today's Events

GENERAL

U.S. and Soviet SALT negotiators discuss reduction in nuclear stockpiles, Geneva.

EEC Social Affairs Ministers meet, Luxembourg.

Final day of Paris meeting, chaired by Mr. W. Wapenhams, World Bank vice-president, discusses further economic aid to Zambia.

Lloyd's expected to announce approval of take-over bid for Leslie and Godwin by Frank B. Hall, U.S. insurance broker.

The Queen visits Sark and Alderney.

President Giscard d'Estaing of France continues visit to Spain.

First Malawi general election since 1961.

Statement by Commission for Local Administration in England and Wales on Local Ombudsmen's report.

Special TUC conference celebrates 30th anniversary of National Health Service, Congress House, WC1.

International Whaling Commission annual meeting continues, Mount Royal Hotel, W1.

Confederation of Shipbuilding and Engineering Unions' conference continues, Eastbourne.

Final day of Royal Norfolk Agricultural Show, New Costessey, Norwich.

Court of Common Council meets, Guildhall, EC2, at 1 pm (open to public).

PARLIAMENTARY BUSINESS

House of Commons: Debate on problems of pharmacists until 7 pm, when opposed Private Business will be taken. Debate on fourth report of House of Commons (Services) Committee, Session 1977-78, on Members' secretaries and research assistance.

House of Lords: Home Purchase Assistance and Housing Corporation Guarantees Bill, and Scotland Bill, third readings. Consumer Safety Bill, committee.

Select Committee: Science and Technology (General Purposes sub-committee). Subject: The Eleni V. Witness: Mr. Edmund Dell, Trade Secretary (4.30 pm. Room 15).

OFFICIAL STATISTICS

Capital expenditure by manufacturing, distributive and service industries; and manufacturers' and distributors' stocks (first quarter, revised). Energy Trends publication from Department of Energy.

COMPANY RESULTS

Final dividends: Braby Leslie; Giltspur; Renold; Weston-Evans Group.

COMPANY MEETINGS

Blockley, Wellington, Salop., 12. Estates and General Invs., Winchester House, EC, 12. Folkes Hefo (John), Birmingham, 12. Hay (Norman), Excelsior Hotel, Heathrow Airport, 11. Turriff, Warwick, 3.

COMPANY NEWS + COMMENT

Ferranti 49% ahead and confident

INDEX TO COMPANY HIGHLIGHTS

FERRANTI, the electronics and *computer group, has increased* the momentum of its recovery which followed the rescue operation by the National Enterprise Board in 1974.

Preliminary results for the year ended March 31, 1978 showed a *63 per cent increase in profit* after tax, a 49 per cent rise in pre-tax profit and a 25 per cent gain in turnover.

Mr. Derek Alun-Jones, managing director, said yesterday that all the company's six divisions had *contributed to the improvement.*

And he expected the satisfactory progress to be continued in the current year, when Ferranti is intending to seek a Stock Exchange listing.

The pre-tax profit of £9.12m *represented 5.8 per cent of the* turnover of £156.9m. Last year's profit was £6.14m pre tax, on a turnover of £125.4m.

After a proposed ordinary dividend of £464,000, the profit transferred to retained earnings *will be £5.5m. Actual earnings per* ordinary are 76.16p, compared with 47.42p last year.

Net current assets increased from £51.9m in 1977 to £72.35m while loans were up from £8.2m to £23.7m. The company's preliminary report says: "Loans have been increased by £15m due to short term borrowings being funded.

"Net current assets have increased by £19m, which reflects *the* overdraft reductions and other improvements."

The company adds: "This result consolidates the steady improvement in performance. Work in hand and the activity level at the year end give us confidence that sales will be further increased in the current year."

Exports increase

Mr. Alun-Jones said export sales *represented about 30 per cent of the company's U.K. turnover.* As a percentage of turnover exports had somewhat increased compared with the previous year.

He was hoping for a continued improvement in export performance, particularly with the sales of military electronics, where strenuous marketing efforts had been made.

Mr. Alun-Jones said the improvement of the company's fortunes stemmed partly from the increase in profitability of the three divisions which had been *in profit at the time of the NEB's* take-over. At the same time, the three divisions which had been making losses, had now moved *into profit.*

The serious problem divisions were instrumentation, electronic components and transformers. *The three divisions which were* historically profitable were the Scottish and Canadian divisions and the computer operation.

The transformer division, which was the main loss-maker in the past, has now moved into the black, partly with the help of export orders, and partly because of diversification which enabled the overheads to be *spread over the production of* mechanical equipment in the same factory. Transformer sales account for about 5 per cent of *the company's total turnover* at present.

The semi-conductor operation, which has also had problems in the past, now contributes about 12 per cent of the turnover and has moved into a small profit. It is hoping to share in the support *which the Government is planning* to give to the UK semi-conductor industry.

In 1974, when the Government injected £15m into Ferranti, it *was making a loss of £500,000.* Then after re-organisation and *the appointment of a new* managing director, the company returned to a profit of £4m on sales of £108m in 1975-76.

See Lex

Advance to £150,000 by CGSB

From turnover ahead from £6.26m to £7.9m taxable profit of **CGSB Holdings**, motor engineer and distributor, advanced from £117,000 to £149,800 in the March 31, 1978, half-year.

The result is subject to tax of £80,500 (£62,500) and earnings per 10p share are shown ahead from 1.22p to 1.62p. The interim *dividend is up from 0.4p to 0.44p.* Last year a 1.02495p final was paid on taxable profits of £0.23m.

Directors say the outlook for the second half is encouraging and that they anticipate another good year. The September, 1977, pro*perty valuation was £1.15m.*

Hicking Pentecost up £0.18m

SECOND HALF profits of **Hicking Pentecost**, the textile and dyeing group, advanced from £227,578 to £384,211 taking the total up from £420,530 to a record £600,413 for the year ended March 31, 1978.

The profits of the dyeing division were adversely affected by the trading loss and terminal costs of about £41,000 at the Lenton factory which was closed in July. The capital project at the Queens Road factory, which commenced operation during the autumn, together with the improved work flow as a result of rationalisation measures has proved beneficial to *the division, the directors state.*

The knitwear division has shown a further substantial improvement in profits. The demand for *natural fibres and the renewed* interest in fully fashioned garments have enabled the group to maintain full activity at all the *production units.*

Exports were increased by 30 per cent and the forward order position in both the home and export markets continues to be satisfactory.

Earnings per 50p share are stated to be up from 15.84p to 19.32p. A final dividend of 4.8643p is proposed taking the total up from 6.4428p to 7.1997p, the *maximum permitted, assuming a 33* per cent tax rate.

	1977-78	1976-77
	£	£
Turnover	[illegible]	[illegible]
Trading profit	671,757	471,321
Interest	71,344	50,791
Profit before tax	**600,413**	**420,530**
Tax	107,505	93,366
Net profit	492,908	327,164
Dividends	183,693	164,412
Retained	309,215	162,752

—ED 19 has been adopted. Comparative tax figures have been re-stated and as a result £741,191 has been released from the deferred tax account to reserves.

Hardys & Hansons up so far

ON TURNOVER of £4.79m compared with £4.36m, taxable profit *of* **Hardys and Hansons**, brewer, increased from £763,653 to £796,537 in the March 31, 1978, half year.

Directors say full-year results are expected to be at least in line with the first-half figures. Last year pre-tax profit was a record £1.61m.

The result is before tax of £0.41m (£0.39m) and is before extraordinary profits of £136,658 *(£66,677).*

Earnings per 25p share are shown at 7.663p (7.345p) and the interim dividend is up from 2.1p *to 2.3p net. Last year a 4.9p final* was paid.

The company has close status.

BHS set for further rise in profits

SIR JACK CALLARD, chairman of **British Home Stores**, expressed confidence at yesterday's AGM that group results in the current *year will again show an improvement.*

The overall national level of spending on consumer products during the early months of 1978 had been on a rising trend and the group's performance had *similarly improved said the* chairman. Sales and profits were both in excess of figures achieved last year and were very close to internal forecasts made at the beginning of the year.

Sir Jack said that provided in*flation does not increase as the* year proceeds, and consumer demand is maintained at present levels the changes which he mentioned in his annual report, particularly with regard to food developments, together with the *opening of the new stores,* "we *are confident that results for the* present year will again show improvement."

Two stores, at Dundee and Barnsley, have already opened and he is very pleased with the initial results.

Turnround at Norfolk Capital

A turnround from a £46,482 pre-tax loss to a £105,148 profit is reported by **Norfolk Capital** *Group for the March 31, 1978—half* year. Turnover for the period rose from £2.69m to £3.08m. Directors say the result demonstrates that the group has secured its full share of the market during the lengthening tourist season.

They say that while the increased popularity of Britain as a tourist centre was initially con*centrated in the summer months,* it has now spread to the autumn and spring. The group is well placed to take advantage of this *trend with its spread of hotels.*

Earnings per share are shown at 0.64p (0.35p loss).

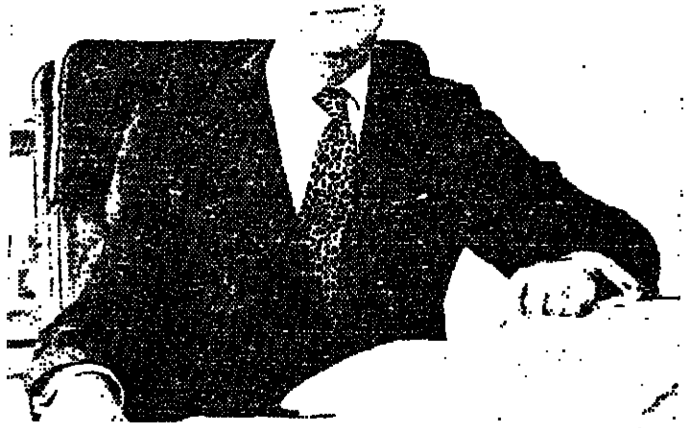
The interim dividend is up from 0.2p net per 5p share to 0.3p. Directors say trading has continued satisfactorily into the summer season and they consequently believe that an overall increase in dividend for the year is justified. The actual recommen*dation will be subject to Govern*ment regulations.

Last year a 0.4p final was paid on pre-tax profits of £0.45m.

They say the purchase of the *freehold of the Queensway Hotel* and the acquisition of a new long *lease for the Royal Court Hotel* *were completed during the half-year.*

The improvement in tenure of *the group's hotels has recently* been further extended by the purchase of the freehold of the Norfolk Hotel previously held on a short lease, for £215,000. These transactions have considerably enhanced the value of properties *and it is adding to this by phased* upgrading programmes.

	Half-year 1977-78	1976-77
	£	£
Turnover	3,075,520	2,694,771
Trading profit	[illegible]	[illegible]
Hotels	[illegible]	[illegible]
Assoc. profit	2,000	2,000
Interest payable	[illegible]	[illegible]
Profit before tax	**105,148**	**†46,482**
Group	20,000	—
Share	1,000	1,000
Net profit	84,148	47,482



Ashley Ashwood

Mr. Derek Alun-Jones, managing director of Ferranti.

DIVIDENDS ANNOUNCED

	Current payment	*Date of payment*	*Corre-sponding div.*	*Total for year*	*Total last year*
Edgar Allen	3.13	—	3.13	4.33	4.33
Ashdown Trust ....int.	1.3	Aug. 18	1.2	—	4.05
Bett Bros. ....int.	0.77	Aug. 11	0.69	—	1.7
Blundell-Permoglaze ..int.	1.14	Oct. 2	0.86	—	2.89
BPB	3.82	Aug. 7	3.43	7.02	6.58
CGSB ....int.	0.44	—	0.4	—	1.42
Chubb and Son	2.5	Aug. 31	2.24	3.87	3.47
Electrocomponents	2.65	—	2.53	5.05	4.53
Gresham House ...2nd int.	1.6	July 20	1.6	3	3
Hardys and Hansons int.	2.3	Aug 7	2.1	—	7
Hicking Pentecost	4.86	Oct. 2	4.14	7.19	6.44
M & G Dual ....int.	6	Sept. 4	5	—	11.35
M.K. Electric	3.5†	Aug. 25	2.69	6.46	5.23
Norfolk Capital ....int.	0.3	Oct. 5	0.2	—	0.6
South Crofty	2.48‡	Aug. 11	—	4.13	—
Trust Houses Forte ...int.	2.55	Oct. 2	2.25	—	8.21

Dividends shown pence per share net except where otherwise stated.
* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ As forecast in *September offer-for-sale.*

Second-half drop at MK Electric

ADVERSELY AFFECTED by several factors at its principal operating *company, pre-tax profits* of **MK Electric Holdings** fell from £3.88m to £3.39m in the second *half to* leave the figure for the 52 weeks to April 1, 1978 down at £5.95m compared with a peak £6.17m for the previous 53 weeks. Turnover was *higher at £38.78m* against £31.29m.

Factors affecting MK Electric included *start-up costs* of new overseas operations, heavy development expenditure on the *new Sentry System consumer* unit, difficulty in holding gross profit margins, and a short strike at the Edmonton factories which caused a *shortage of components* for several weeks.

Mr. David Robertson, the chair*man, says the current year has* started very well indeed. All factories are at full production and order books are very good and sales, production and order books are ahead of budget throughout the group.

Results of the *recently* acquired Ega Holdings were consolidated from November 7, 1977, and contributed £672,000 to group taxable profit.

	52 weeks 1977-78	*Restated 53 weeks 1976-77
	£000	£000
Turnover	38,777	31,288
Trading profit	6,131	6,171
Net interest	114	6
Share of assoc. loss	68	—
Profit before tax	**5,948**	**6,165**
Taxation	1,697	1,661
Net profit	4,251	4,504
Minority profit	10	†5
Available	4,241	4,509
Dividends	987	624
Retained	3,254	3,885

* Following changes in accounting policy for depreciation and deferred tax in line with SSAP 12 and ED 19. † Loss.

Stated earnings per 25p share declined from 37.49p to 31.8p, while the dividend total is stepped up to 6.46p (5.23p) net, with a final of 3.5p.

● comment

Stripping out the Ega acquisition, MK's second half profits are 30 per cent lower and margins have slumped by around eight points to 13.1 per cent. The unexpected downturn was mainly the result of an eight-day strike at the *Edmonton factory* which disrupted electrical component supplies and affected both the *home market* and the important export trade. In addition there was some delay in getting *approval to increase prices* and *there were development costs of* around £0.3m for the new Sentry miniature circuit breaker. All this left the enlarged group well short of the £7m profits forecast for the year. However, production is now back to normal and the company *reports that order books and sales* are both ahead of budget. Demand for electrical plugs and sockets is *starting to improve in the wake* of increased housing starts and rewiring jobs and there will be the benefit of the February price *rise (almost 10 per cent).* At 175p (down 5p), the shares are on a p/e of 5.4 (low tax charge) while the yield is 5.7 per cent. The dividend is covered almost five times.

WOOD & SONS

Newman Industries has despatched to shareholders the *formal offer* document for earthenware and packing material manufacturers, **Wood and Sons (Holdings)**. Newman's offer worth *60p per share in preference stock* values Wood and Sons at £2.4m.

67% profit growth from Electrocomponents

IN THE second half of the year ended March 31, 1978, **Electrocomponents** has shown further progress, turning in profits of £4.34m from sales of £15.33m.

This gives, for the full year, sales ahead 46.9 per cent to £33.56m and a 67.4 per cent growth in profits to £7.6m.

The final dividend is the maximum permitted 2.65158p, for a net total of 5.05158p per 10p share, compared with 4.5256p.

Group business comprises the manufacture and distribution of electrical components, instruments and accessories.

● comment

The industrial recession has put many of the smaller distributors *of electronic products out of* business so, as demand picks up, it is not surprising to find that the larger companies are getting a bigger slice of the cake. **Electrocomponents**, where full year profits are more than two-thirds higher, is a case in point. The results reflect an impressive volume gain of around 40 per cent and margins have increased by *nearly three points* to 22.6 per cent. The company puts this down to its wider product range over most of the group. R.S. Com*ponents (85 per cent of sales)* has been particularly successful with its "own brand" range of components and ancilliaries and *this has helped boost exports by* nearly two-thirds to £1.9m—mainly to the Middle East and the Far East. Similar progress has been made by Electroplan (electronic instruments) and Radio Register (passive components), which have *also increased their product* ranges. The shares rose 13p to 445p for a p/e of 10.2 which is probably a fair rating taking into *account the company's prospects,* while the yield is 1.7 per cent, covered 8.6 times.

306% return by private company

JORDAN DATAQUEST's 1977 edition of "Britain's Top 1,000 Private Companies" includes more than 130 new entries.

It shows that three private companies achieved a more than 100 per cent return on *capital last year* while the most profitable quoted industrial company, advertising agents, Geers Gross made a return of 88.6 per cent. The three private companies are food wholesalers, L. E. Pritchett (306.8 per cent), whisky distillers William Grant and Sons (166.9 per cent) *and wines and spirits wholesalers* Grierson Blumenthal (155.3 per cent).

Jordan's fourth computer-aided *survey has been improved by the* inclusion of three years data on each company and an overall performance rating system, which was first used in its third edition of "Britain's Quoted Industrial Companies" published last month.

Britain's Top 1,000 Private Companies 1977, Jordan Dataquest, Jordan House, 47 Brunswick Place, London N1 6EE. Price: £14.

Bett Bros forecasts £0.8m fall

PROFITS DOWN from £2.86m to around £2m are forecast by **Bett Brothers** for the year ending August 31 1978. Turnover is expected to reach around £19m compared with £19.42m in 1976/77.

In the first six months, profits show a fall from £1.71m to £1.07m.

In his annual statement in February Mr. A. A. Bett, chairman, said indications were that the recession in the building trade was diminishing. On the contracting side several new contracts had been secured although *he thought profits would be more* difficult to achieve and he could *not see an improvement.*

On the private side Mr. Bett *was more optimistic. He said that* signs of a shortage appearing in the second hand market together with lower interest rates should assist sales. This taken with increased contributions from subsidiaries in property investment, and licensed trade fields, and an expansion envisaged by Pitkerro (PHV) should offset to some extent less profitable com*petitive contracts.*

With these uncertainties he felt it would be unwise to make an assessment of the current year's *results.*

The interim dividend is increased from 0.6868p to 0.767p net —the total for 1976/77 was 1.7018p. Certain holders have waived their dividend aggregating £23,148

ISSUE NEWS

Central & Sheerwood

Central and Sheerwood proposes to issue, by way of a scrip, 1.6m preference £1 shares and 32m ordinary 5p shares to holders of ordinary shares registered June 22.

The issue will be made on the basis of one preference share for every 20 ordinary shares and one *new ordinary share for every one* ordinary share held.

The proposed scrip issue will bring the capital more into line *with the assets employed.* The authorised capital is doubled to £6m by the creation of 1.6m 10 per cent cumulative preference £1 shares and 28m new ordinary 5p shares.

Application will be made to the Council of the Stock Exchange for listing of the preference and the new ordinary shares. Subject to such listing being granted, it *is expected that dealings will* commence on August 7.

An EGM will be held on July 24, at 12.00 noon.

EAST ANGLIAN RAISING £2M

East Anglian Water Company is raising £2m by an offer for sale by tender of 7 per cent redeemable preference stock 1983 at a minimum price of £97.50 per cent.

The stock is payable as to £10 *per cent on application and the* balance by August 3. Applications must be in no later than 11 am on July 5.

Interest on the stock will be payable half-yearly on April 1 and October 1. The first payment will be in October at the rate of £1.168 per cent.

The stock is repayable on June 30, 1983.

Brokers to the issue are Seymour Pierce and Co.

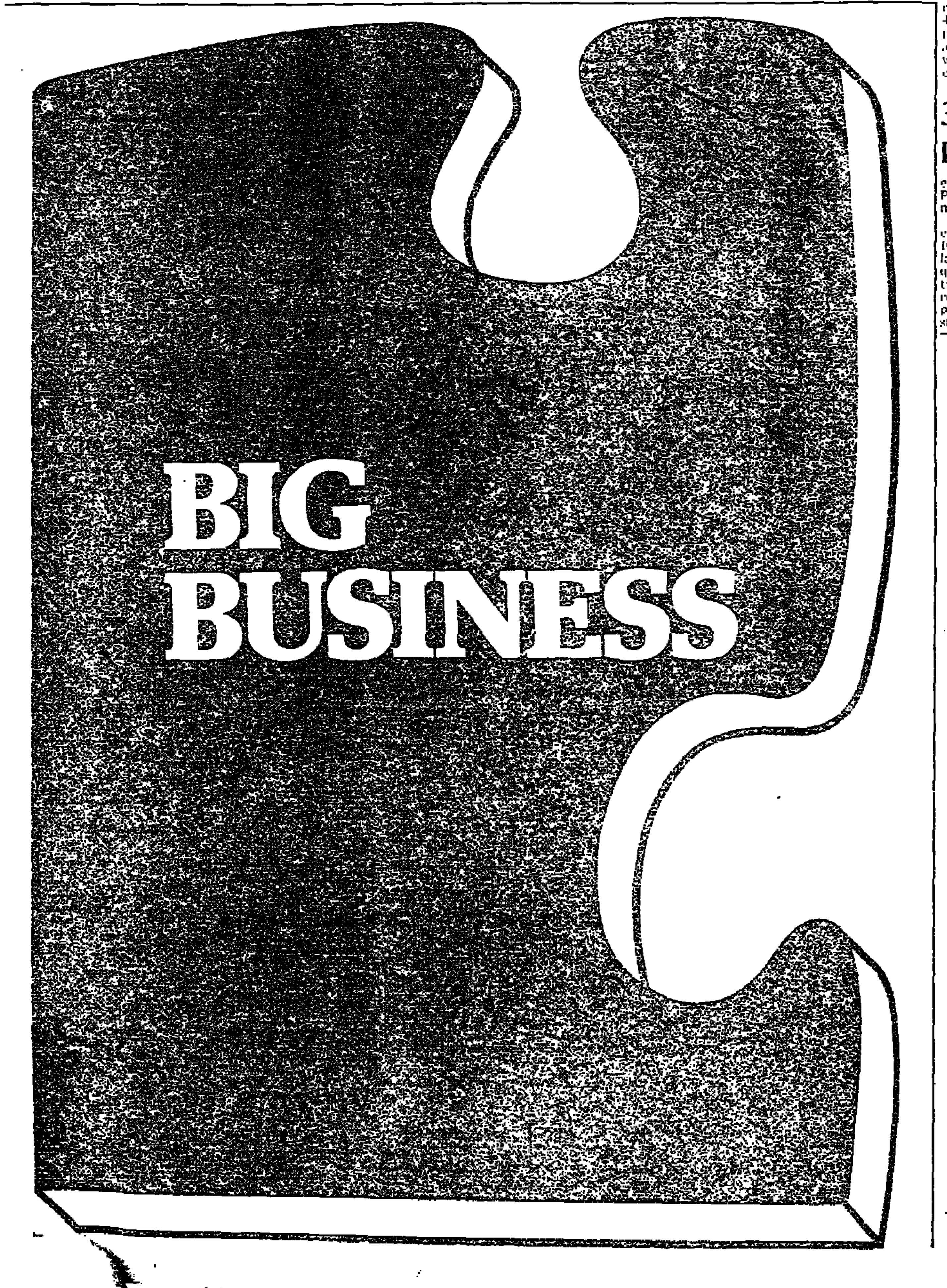
● comment

The East Anglian Water issue is similar to that made by Essex last month. The Essex stock is now standing at *£11 (£10 paid)* bid not offered. So given the fact that there seems to be a wider grasp of this form of franked investment income this issue should be comfortably absorbed. Taking a line *through Essex it would seem that* tenders at least a point above the minimum level would be necessary to obtain stock.

ST. KITTS (LONDON)

In response to the offer by **Industrial Equity** for **St Kitts (London) Sugar Factory**, acceptances received amount to 325,786 shares (83.5 per cent).

With shares already held this gives a total of 92.9 per cent. The offer is now unconditional and *remains open.*



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Blundell-Permoglaze jumps £0.33m midway

THE EXCELLENT progress reported by **Blundell-Permoglaze Holdings** at the AGM in March continued throughout the six months ended April 30, 1978, and group pre-tax profits for that period show an advance from a restated £273,680 to £603,436.

Mr. N. G. Bassett Smith, chairman, tells members that the group's experience in May and June gives him every confidence that the final result will be very pleasing.

The interim dividend is being increased by the maximum permitted annual amount from 0.86p to 1.14p net and the chairman hopes that Government policy will allow a further increase in the final. The total for 1976-77 was 2.89p paid from profits of £1.13m.

The chairman reports that the decorative and export divisions improved substantially. Volume sales were well up which against slow growth in the industry indicates a further increase in market share. The industrial side also traded at a higher level, increasing its volume, and continues to progress. Building chemicals, although making a loss, showed continuing improvement throughout the half year.

Action with regard to the significant losses made in the Scottish merchanting division has taken place and the Inverness and Edinburgh branches closed but arrangements have been made for group products to be distributed in these areas.

In Glasgow new premises have been obtained from which the main distribution centre for Scotland is operated. The two branches at Ayr and Dumfries have been sold back to Mr. W. H. Lowrie and he will continue as a main Blundell-Permoglaze distributor. Certain losses have been incurred in the first half but they will not be repeated in the second.

The manufacturing operations in Ireland continue to progress despite business activity being at a low level. As regards the disposal of the Indian investment the group is now waiting to have the proceeds remitted.

The sale of the Beverley Road site in Hull was completed during May, and this will be reflected in the year-end statement.

	Half year 1977-78	1976-77
	£	£
Sales	9,104,025	7,510,356
Trading profit	745,617	397,556
Depreciation	142,181	124,178
Profit	603,436	273,680
Taxation	316,200	102,700
Net profit	287,236	170,980
Minority loss	1,302	†908
Attributable	288,538	170,072
Pref. dividend	828	828
Attributable	287,710	169,244

† Profit.

In order to accord with changes made in the accounts for 1976-77, the figures originally presented for the 1976-77 half-year have been restated to incorporate the following adjustments:—Blundell Eomite Paints (India) is no longer dealt with as an associate and the share of profits amounting to £36,933, with taxation of £24,900 applicable thereto, have been eliminated; provisions of ED19 have been adopted and taxation has been reduced to the extent of £39,100. (The 1977-78 tax charge has no such reduction as no relief is at present anticipated for the full year.)

Chamberlin & Hill uncertain

Despite the encouragement of recent months, the outlook at **Chamberlin and Hill** is still very uncertain and it is likely there will be under-utilisation of production capacity at times in the next year, Mr. T. Martin, the chairman, says in his annual review.

In his interim statement last year he referred to the low demand which had characterised the earlier months of the year and held out the hope that the second half would show an improvement. In the event, the order intake recovered strongly with profits for the second six months a more realistic reflection of the company's earnings potential, he says.

Pre-tax profits for the whole year at £0.62m were slightly ahead of last year's £0.6m.

Mr. Martin says that because of this lack of confidence in the UK economy the company has devoted a lot of energy to its exporting activity and despite the fluctuations of sterling in the money-markets, he is happy to report a further significant increase in overseas business.

A great deal of effort in the past year has also been given to improving and developing the facilities of the two subsidiary companies acquired in January, 1977, and the levels of efficiency now being achieved by these companies are highly satisfactory.

However, in common with the other companies in the group, they are at present subject to the problems associated with an extremely variable order load and their true potential has yet to be reflected in the trading results.

As a result of a successful acquisition and diversification policy, the company is now in a better position to avoid the large fluctuations in earnings which have been a feature of the foundry industry in the past, he says.

It shall continue to exploit the flexibility it now possesses to compete effectively in many different markets but some sign of sustained growth in world trade would be very welcome.

Meeting, Walsall, July 21, at noon.

THF ahead to £12.2m so far

AN ENCOURAGING start to the current year has been made by **Trust Houses Forte** with group pre-tax profits for the six months ended April 30, 1978 showing an increase to £12.2m compared with £10.4m which included a profit of £4.1m on the sale of fixed assets and investments.

The directors report that bookings are satisfactory and they look forward with confidence to another successful year. They point out that owing to the seasonal nature of the group's business only a small proportion of the year's profit accrues in the first half—in 1976-77 the pre-tax profit totalled £38m.

The interim dividend is being stepped up from 2.25p to 2.85p net—the total for 1976-77 was 8.2094p.

	Half year 1977-78	1976-77
	£m	£m
Trading receipts	270.1	237.3
Trading profit†	19.8	15.2
Profits on sale of assets	—	4.1
Financial charges	7.4	8.8
Minority	0.2	0.1
Leaving	12.4	10.5
Profit before tax	12.2	10.4
Taxation	5.3	2.4

†After depreciation of £6.9m (£8.5m) but before adjusting for currency translation differences.

The figures include the full half-year's profits for the hotels acquired from Lyons (1977—three months) and Knott (1977—two months). The 1977 profits include five months profit of Terrys up to its date of disposal.

First-half downturn at Rakusen

AFTER INTEREST of £50,100 against £68,600, taxable profits of the Rakusen Group dropped from £25,800 to £10,300 for the half-year to December 31, 1977. Turnover was down by £25,200 at £595,200.

For all the previous year, a profit of £27,828 was reported and no payments were made. The last dividend was 0.335p net in respect of 1973-74.

The directors state that the land tribunal hearing on the company's claim against Leeds MDC for the Meanwood Road factory was held during the week commencing May 22, 1978, but adjourned after three days for a ruling on a point of law relating to the disturbance part of the claim—a decision is expected soon. As yet no compensation has been received for either the building or disturbance claim.

The West Park factory and office premises have been sold on a sale and lease back basis to an assurance society for a figure in excess of book value. This arrangement will substantially reduce the group's bank borrowing, the directors add.

The group's activities involve food manufacturing and distribution and property development.

BAT offshoots

Three subsidiaries of BAT Industries yesterday announced their results for the first half of the current year.

In the 26 weeks ended April 1, 1978, pre-tax profits of **Wiggins Teape Group** showed a reduction from £18.94m to £16.54m on sales ahead from £212.87m to £231.23m.

The profit was struck after interest of £4.61m (£5.48m). Providing for tax of £8.74m (£8.31m) and minorities of £80,000 (£490,000), the attributable balance emerges at £7.72m against £10.14m.

The amount retained in inflation reserve out of profits for the full year to October 1, 1977, was £6.9m. It is estimated that the amount to be set aside in respect of the half year to April 1, 1978, is £0.9m.

At **International Stores** turnover in the 27 weeks ended April 1, 1978, climbed from £171.91m to £226.97m while profits before tax improved from £2.51m to £3.04m. The profit was struck after interest of £1.33m (£0.72m) and tax requires £0.76m (£1.22m).

The figures include the results of F. J. Wallis from April 25, 1977, but exclude those of Kearley and Tongo which became a direct offshoot of BAT Stores Holdings with effect from September 25, 1977.

The directors state that severe price competition in food retailing has intensified, substantially diminishing the profitability of the industry. Action taken to maintain sales volume and market share has been successful but at the expense of trading profit in the short term.

British-American Tobacco Company reports a little changed profit of £195,000 against £190,000 for the half-year ended March 31, 1978, on a turnover of £2.67m against £2.46m. The attributable balance emerges at £90,000 (£95,000).

Gresham House

For 1977, group profit of Gresham House Estate Company improved from £250,000 to £271,000.

After tax £17,000 (£83,000) and taking in an extraordinary credit of £36,000, the net profit was £123,000 higher at £290,000.

The second interim dividend is 1.6p net for an unchanged 3p total.

BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purposes of considering dividends. Official indications are not available whether dividends concerned are interims or finals and the subdivisions shown below are based mainly on last year's timetable.

TODAY

Interims—Eurotherm International.

Finals—Braby Leslie, Cawdaw Industrial, Giltspur, Renold, Stead and Simpson, Weston-Evans, Wintrust.

FUTURE DATES

Interims—

Gough Cooper	July 6
Meggitt	July 17

Finals—

Bambergers	July 3
Eucalyptus Pulp Mills	July 4
Hampton Gold Mining Areas	July 4
St. George's Laundry (Worcester)	July 10
Scottish and Universal Invests.	July 7
Tex Abrasives	July 4
Thorn Electrical Industries	July 7

London Sumatra to improve

PROVIDED COMMODITY prices are maintained, remittances from Indonesia should enable **London Sumatra Plantations** to improve UK dividends and income in the future, Mr. F. W. Harper, the chairman, says in his annual statement.

In view of the increasing size of its dividend payout, the group will this year declare an interim dividend in December, payable early next year.

The chairman says that with its Indonesian investment plans and remittances it is making satisfactory progress towards clearance from its commitments under the 1969-73 investment plans. Its two major subsidiaries have been cleared and negotiations are continuing in respect of the smaller companies.

This partial clearance establishes a right to remittability from Indonesia, but he points out that under the 1968 agreements with the Indonesian Government, it is committed to a continuing programme of rehabilitation, development and modernisation of estates.

This includes replanting large areas of old rubber and planting large areas of reserve land as soon as funds permit.

In June this year a remittance of £325,928 was received from Indonesia for deposit interest earned from 1973 to 1977 by the two companies with investment plan clearance. This will be included in the 1978 accounts.

Last year, when profit before tax rose from £1m to £1.34m, rubber and oil palm crops in Indonesia were down on estimates after being affected by prolonged dry weather.

There are signs that the oil palms are reacting to the past two years of low rainfall and cropping results for the first half have so far been disappointing. But directors expect a return to a more normal pattern in the second half.

In 1977, 4,670 acres were planted/replanted with rubber, along with 486 acres of oil palm. Small plantings of cocoa and tea were made. In 1978, 4,440 acres of rubber will be planted/replanted with 2,120 acres of oil palms.

In Malaysia last year 186 acres formerly planted with rubber and five acres of waste land were planted with oil palms and in the current year 210 acres will be converted from rubber to oil palms.

A valuation of estates showed a £30.87m value for the Indonesian estates and £2.71m for the Malaysian estates.

NEW EXPATRIATE FUNDS

Three new funds for the expatriate have been launched by **Quest Fund Management (Jersey)**, a new financial services group owned by investment specialists Electra Group—which manages investment trusts in the UK; money market and foreign exchange specialists M. W. Marshall; bankers and trustees the Royal Trust Company of Canada, London; and insurance brokers C. T. Bowring.

The three new funds—Quest Sterling Fixed Interest, Quest International Bond Fund, and Quest International Securities Fund—have been launched in the Gulf with a view to tapping the incomes of expatriates there.

Ashdown Trust halfway increase

In the half year ended May 31, 1978, revenue before tax of Ashdown Investment Trust rose from £270,641 to £370,371.

The interim dividend is lifted from 1.2p net per 25p share to 1.3p. For the year ended November 30, 1977, a total of 4.05p was paid from revenue of £636,000.

At May 31 net asset value per share was 189.3p (169.8p) assuming full conversion of loan stock.

	First half 1978	1977
	£	£
Revenue	370,371	270,641
Taxation	128,596	93,612
Net revenue	241,775	177,029
Preference dividend	4,288	4,288
Available ordinary	237,487	172,741
Interim dividend	125,853	113,993

RESULTS AND ACCOUNTS IN BRIEF

AIRFLOW STREAMLINES—Results for February 26, 1978, year already known. Fixed assets £3.28m (£1.59m) net current assets £0.72m (£0.5m): stock and work in progress £1.34m (£0.98m), overdraft £0.52m (£0.39m), short-term loans £0.29m (£0.16m). Net liquid funds increased £0.43m (£26,335). Valuation of land and buildings shows £923,456 surplus over net book value. Meeting, Northampton, July 17, noon.

ALLIANCE INVESTMENT COMPANY—Results for year ended April 30, 1978 reported June 15 with net asset values. Investments, £17.9m (£16.19m). Unrealised surplus £7.33m (£6.41m). Chairman is hopeful of further increase in earnings and dividend in current year. Company will retain a high proportion of investments overseas in countries where future looks more attractive. In UK, concentration continues on smaller companies with good growth prospects. Meeting, 1-2, Laurence Pountney Hill, EC, July 19 at 2.30 p.m.

ATTWOOD GARAGES—Results for year to January 31, 1978, reported June 21. Fixed assets £778,811 (£785,393), net current assets £465,238 (£418,714). Chairman says trading so far in current year maintained at similar encouraging level to previous year. Meeting, Wolverhampton, July 19 at noon.

BREMAR TRUST—Final 1.0p, making 1.5p for period ended March 31, 1978 (0.5p). Group revenue £37,589 (£11,947) after tax £9,614 (£5,451). Extraordinary items debited prior to arriving at group revenue £12,859 (£4,433). Earnings per 25p share 2.11p (0.68p). Net asset value 25.4p (25.02p). Group revenue includes income of £35,518 (nil) arising from contracts involving the ultimate holding company, Bremar Holdings.

CARDIFF MALTING COMPANY (malting and property investment)—Turnover for six months to March 31, 1978 £252,354 (£261,174) and profit £8,740 (£14,160) before tax £3,700 (£6,000). Interim dividend 0.5p (0.9p) net per 20p share.

CONTINUOUS STATIONERY—Results for March 31, 1978, year already known. Fixed assets £564,324 (£576,982), net current assets £612,323 (£546,838). Working capital increased by £122,529 (£72,235 decrease). Chairman says current year has begun comparatively satisfactorily so far as order book is concerned, although trading margins remain extremely tight. At May 24 Glyns Nominees held 5.3 per cent of issued capital. Meeting, 87, Eaton Place, SW, July 18, at noon.

COUNTRY GENTLEMEN'S ASSOCIATION—Dividend 18.29p (14.59p) for year to March 31, 1978. Earnings per share 10p (48p). Turnover for year £2,340,000 (£2,210,000). Group profit £7,883 (£39,000) after all charges including tax of £14,641 (£43,463). Board states that while results are disappointing they are in no way pessimistic about the future. Group properties have been revalued and show a capital increase of £828,598 since last valuation in 1973.

R. A. DYSON AND CO. (manufacture, repair, servicing of trailers)—Results for March 31, 1978 year, reported May 19. Fixed assets £76,345 (£72,431), net current assets £559,217 (£560,182). Net liquid funds increased by £10,321 (£4,001). Company has close status. Meeting, Liverpool, July 17, noon.

GEI INTERNATIONAL—Results for the year ended March 31, 1978 reported June 14. Group fixed assets £11.19m (£8.69m). Net current assets £12.43m (£10.96m)—cash etc. £7.13m (£5.36m) and overdrafts £2.38m (£1.32m). An analysis of profit before tax shows:—*Midland steels products* £2.75m (£1.79m). Midland bright £1.73m (£1.49m), special products £0.48m (£0.41m), packaging products £1.05m (£0.75m), less GEI head office £0.47m (£0.31m). Meeting, The Dorchester, W, July [illegible] at 11.15 a.m.

GOUGH BROTHERS (wine merchant)—Results year to January 28, 1978 already known. Group fixed assets £1.31m (£1.18m), net current assets £321,913 (£427,433). Working capital decreased by £120,347 (increase £238,313). Meeting, 39-45 Tottenham Court Road, W, July 5, at 10.30 am.

JOHN HEATHCOAT AND CO.—1977 turnover £13,205,200 (£13,097,700). Profit £142,200 (£567,100) after all charges including tax of £365,600 (£243,900). Company is a subsidiary of Coats Patons.

INVERGORDON DISTILLERS (HOLDINGS)—Results for March 31, 1978 year reported June 1. On CCA basis, historical pre-tax profit of £2.8m (£1.54m) reduced to £1.49m (£0.93m) after adjustments on depreciation £0.28m (£0.25m), cost of sales £1.19m (£0.81m) offset by gearing £0.15m (£0.14m). Group fixed assets £11.1m (£10.02m), net current assets £8.01m (£6.43m). Bank overdrafts £0.3m (£2.8m). At May 26, 1978, Carlton Industries held 76.2 per cent of equity. Meeting, Glasgow, July 19, at noon.

LONDON AND HOLYROOD TRUST—Results for year to March 31, 1978, already known. Listed UK investments, £21.97m (£17.64m), abroad £10.77m (£11.96m), unlisted £1.7m (£1.53m). Current assets £0.4m (£1.58m), current liabilities £0.62m (£1.27m). Present estimates indicate a continuing growth in revenue, permitting further increase in dividend. Meeting, 53, Cannon Street, EC, on July 20 at 3 pm.

LONDON AND LIVERPOOL TRUST—Net revenue £19,324 (£14,736) after tax £12,576 (£8,637) for year to March 31, 1978. Earnings per 10p share 0.77p (0.59p). Final dividend 0.462p net making 0.594p (0.4225p). Net asset value per share 18.35p (17.38p). Gross income from investments £37,192 (£28,901). Deposit interest £5,127 (£5,852).

LONDON AND PROVINCIAL TRUST—Results for March 31, 1978, year already known. Valuation of listed UK investments £26.76m (£21.76m), abroad £16.2m (£17.52m) and unlisted £2.27m (£2.22m). Uninvested funds decreased £0.45m (£0.16m increase). Meeting, 53, Cannon St., E.C., July 20 at 2.15 pm.

METAL BOX—Results for year to March 31, 1978 with full preliminary statement and chairman's comments on prospects reported June 6. Cost of sales adjustment £18m (£22m); depreciation adjustment £16m (£14m) and gearing adjustment £6m (£7m) giving net reduction in pre-tax profit of £28m (£29m). Group fixed assets £197.95m (£160.36m). Net current assets £124.77m (£123.58m). Meeting, The Dorchester, W, July 20, at 12.30 pm.

METAL BOX OVERSEAS (subsidiary of the Metal Box Company)—Results for year to March 31, 1978 already known. Fixed assets £80.57m (£79.64m). Current assets £124m (£118.74m) and liabilities £99.77m (£87.18m). Meeting, Reading, July 19 at 12.30 p.m.

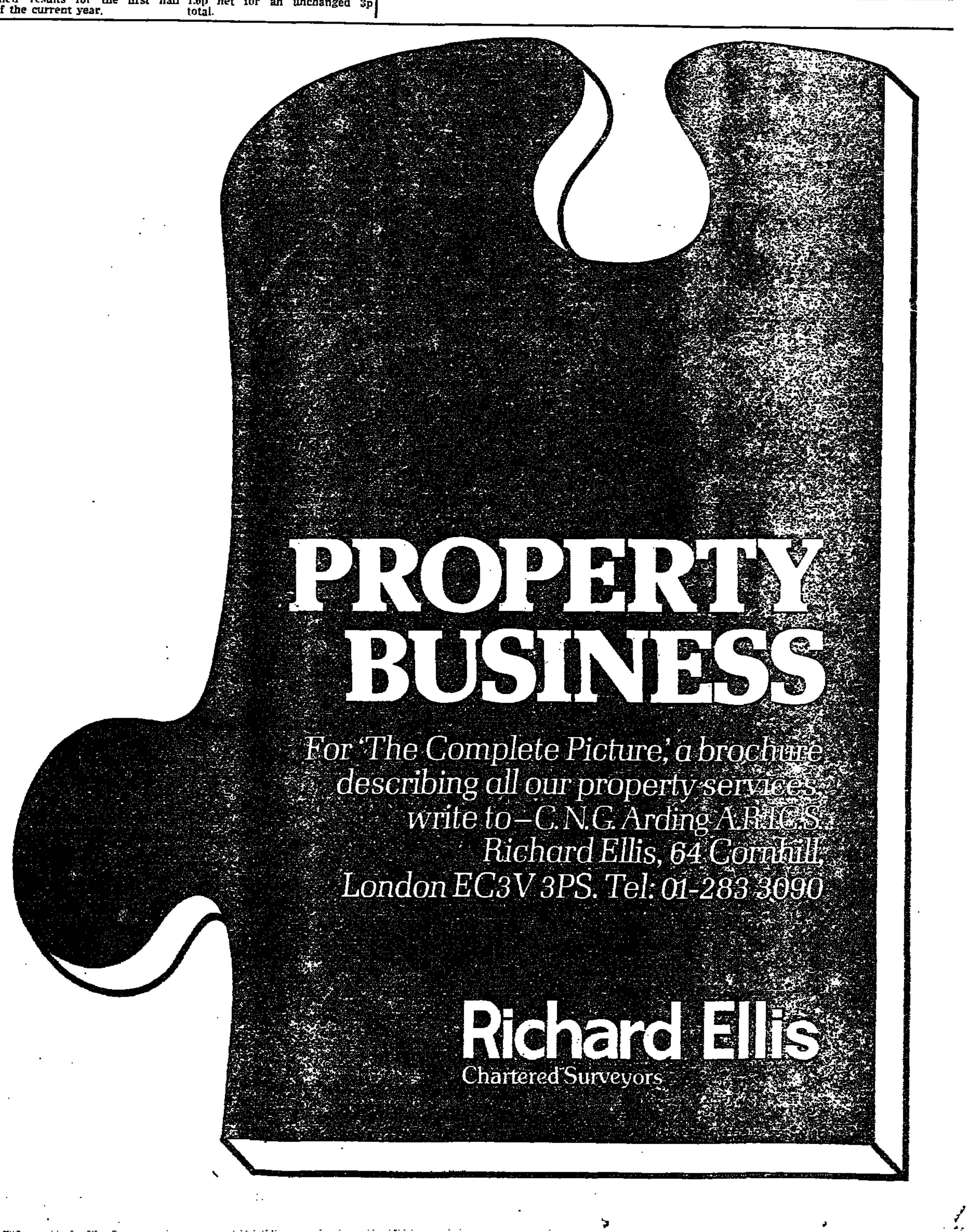
PAULS AND WHITES (corn merchants and animal feedstuffs)—Results for year to March 31, 1978 reported June 16. CCA statement shows depreciation adjustment £2.09m, cost of sales £181,000 and gearing adjustment £857,000 giving adjusted pre-tax profit of £4.35m—£6.25m. Historic group fixed assets £21.27m (£14.04m restated). Net current assets £16.73m (£14.23m). Chairman says over past even years, group has achieved steady increase in profitability and Board confident it will be possible to continue this trend. Meeting, Ipswich, Suffolk, July 20 at 12.15 pm.

PROVINCIAL LAUNDRIES—Results for 1977 already known. Fixed assets £301,740 (£250,326), net current assets £135,130 (£68,225). No overdraft (£25,212). Working capital increased £53,776 (£14,923). Meeting, Maidenhead, Berkshire, July 18, at noon.

SEKONG RUBBER COMPANY—Dividend 8.39215p (5.51167p) for year ended March 31, 1978. Profit before tax £37,717 (£31,257), brought forward from previous year £446,154 (£294,680), underprovision of tax in previous years £2,384 (£115 over-provided). Profit on sale of estate nil (£167,453). Taxation £13,590 (£13,386). Malaysian tax applicable to previous years nil (£43,000). Dividend £9,586 (£8,717). Forward £462,657 (£446,154). Meeting, August 15, 10-15 Mincing Lane, EC. August 15.

STONEHILL HOLDINGS (manufacturer of domestic furniture)—Results for April 2, 1978 year reported May 18. Group fixed assets £1.65m (£1.68m), net current assets £1.29m (£1.02m). Net liquid funds increased by £19,194 (£95,731). Directors are looking forward to excellent autumn/winter trading which if continued into 1979, will yield marked improvement in full year's results. Meeting, Churchill Hotel, W, July 20, at 11.30 am.

WESTPOOL INVESTMENT TRUST—Results for year to April 30, 1978, already reported with net asset values. Investments £13.27m (£12.17m): Unrealised appreciation £4.97m (£4.25m); Prudential Assurance holds 31.9 per cent of capital. Meeting, 120 Cheapside, EC, July 13 at 4 pm.



Second half fall leaves Chubb 4% down

FOLLOWING A small rise at midway, profits of **Chubb and Son**, the security systems group, *declined from £8.97m to £8.12m in* the second six months leaving the total for the year to March 31, 1978, 4 per cent lower at £13.52m pre-tax, compared with the previous year's record £14.11m. Sales were up by 26 per cent to £199.3m.

	1977-78	1976-77
	£000	£000
Turnover	199,234	158,438
Trading profit	15,807	15,756
Interest paid	2,354	1,722
Share of assocs.' profits	70	75
Profit before tax	13,523	14,109
Tax*	4,433	4,430
Net profit	9,090	9,679
To minorities	531	710
Extraord. credit	54	†127
Making	8,613	8,842
Exchange debit	384	‡257

* ED19 applied. † Debit. ‡ Credit.

However, the directors believe they are justified in expressing some confidence that the current year will produce improved results.

Earnings are shown to have dropped from an adjusted 19.23p to 17.53p per 20p share. The dividend total is raised to the maximum permitted 3.872p (3.4675p) net, with a final of 2.496p *assuming an ACT rate of* 33 per cent.

The 1977-78 figures include the results of Gross Cash Registers and L. and F. Willenhall with effect from January 19, 1977 and January 1, 1977 respectively.

If the results of new acquisitions are excluded, then UK sales increased by 19 per cent and profit by 9 per cent, overseas sales, including exports from UK, rose by 12 per cent and profit by 2 per cent, and UK exports, including sales to overseas subsidiaries, were up by 22 per cent.

Lord Hayter, the chairman, reports that during the year *trading conditions held up* remarkably well for Chubb Lock and Safe, and both Chubb and Son's Lock and Safe Company and Josiah Parkes improved turnover and profits.

On the electronics side, Chubb *Alarms Group had an excellent* year producing substantially better profits, however, Chubb Integrated Systems, due to a lack of orders from British banks for machines, sustained a loss.

Gross Cash Registers is not yet in a satisfactory position, the chairman says. Despite taking major steps to economise, the *savings were eroded by increased* costs particularly in wages, which resulted in a pre-tax loss of £1.7m *from the date of acquisition.*

Further steps to improve the outlook are in hand, while on the credit side, the company held its share of the market and a development programme is under way for a new range of electronic machines, he adds.

The overall result of Chubb Fire Security was only marginally better, but it *goes into the* current year with a healthy order book and improved facilities which gives hopes for a most successful year, Lord Hayter states.

In Continental Europe, orders and sales were up 17 per cent *and profits by 64 per cent.* Further substantial progress was made in the Lips and Gispen operations, especially in Holland and Belgium. Italian operations continued profitable growth while in France, the expansion of *activities has been supported by* the creation of a number of regional sales and service centres.

Both Australian and New Zealand companies operated satisfactorily and the Canadian operation continued to make solid *progress.*

With most trading divisions again operating at a lower rate of activity, the South African company's *pre-tax profit fell by 3.7* per cent. As with 1977, the reduced trading volume and profitability can be related mainly to a *reluctance by consumers to* purchase goods of a capital nature, the chairman explains.

In Hong Kong, overall results were disappointing, however, the company now has a firmer foundation on which to build and the directors hope for a better profit performance this year, following a sharp fall in 1977-78.

Chubb Malaysia *had a reasonably* successful year with an increase in sales of 9 per cent *although profit was only marginally* better, says Lord Hayter, while the Indonesian company had the highest percentage increase in turnover and profits of all the group's overseas ventures.

● comment

The digestion of Gross Cash Registers, acquired in January, 1977, is proving more *difficult* than Chubb anticipated. At the halfway mark, with post acquisi*tion losses* at £1.1m, Chubb expected that remedial action taken or planned was sufficient to have GCR making small profits by year end. In the event, the pre-tax losses climbed to £1.7m and the turn round date has been put *back by about a year*. The market reacted to the news by knocking 14p off the Chubb shares which closed at 123p. If the GCR figures are stripped out there is still little joy as the company is feeling the effects of flat *demand worldwide and a squeeze* on gross margins. The healthy order book that existed in November was turned into sales—but profits grew at a much slower rate both in the UK and overseas. Trading since the year end has been better than the comparable period but in the absence of any significant improvement in world economies it is unlikely *that profit growth will be* dramatic. The shares are selling on a yield of 4.9 per cent and a p/e of 6.9.

Robertson Foods facing tough year with confidence

Although the current year will again be a tough one for **Robertson Foods**, Mr. R. C. Robertson, chairman, says he is confident that further progress will be achieved.

Although below the group's expectations profits improved from £2.58m to £2.69m in the year ended March 31, 1978. The chairman explains that the whole food manufacturing industry has experienced a most difficult 12 *months for two main reasons*—a fall of 4 per cent in overall food consumption and the squeeze on margins exerted by major retail customers fighting the high street war.

However the French vegetable canning subsidiary, Peny S.A., enjoyed another excellent year and sales of cereals are growing substantially as production at the Viota Foods factory at Bromborough in Cheshire comes on stream.

Reflecting increased overdrafts of £7.7m against £3.73m interest charges rose from £384,000 to £751,000. The extra money was required to finance the significant rise in the value of stocks from £11.92m to £16.19m.

The chairman explains that stocks remained high during the year due to the very mild autumn and early winter which allowed sales of cheap vegetables to continue until Christmas, effectively dampening demand for canned foods.

Turnover in the year amounted to £72.33m—split as to preserves 49.8 per cent: canned foods 16.4 per cent: breakfast cereals 13.8 per cent: dried fruits and cereals 9 per cent: cake mixes and dry *desserts 7.9 per cent: and fruit* drinks and juices 3.1 per cent.

Referring to the introduction of a share participation scheme for employees the chairman says that with the publication of the Government White Paper on the *subject proposals can now be* finalised and a scheme put to holders later in the year. If approved it is likely that the scheme would become effective from April 1, 1979.

Meeting, Beckenham, Kent, July 21, *at 10.30 am.*

A final dividend of 6.6p is forecast for a total of 12.6p against 11.35p last time. The asset value per capital share is shown at 293.7p.

M&G Dual Trust ahead

Net revenue of M and G Dual Trust for the June 30, 1978 six months was £347,032 compared with £292,842 previously, and the interim *dividend is lifted* from 3p to 6p net per 10p share.

Target is relaunching Coyne Growth

Target has now relaunched the ill-fated Coyne Growth Fund, *whose management it took over* 18 months ago at the request of the trustees, Midland Bank Trust Company. Having changed the name, with the approval of the unitholders, to Target Special Situations, it now proposes, under *the investment direction of Mr.* Denis Poll of Dawnay Day, to acquire shares in asset and takeover situations, recovery stocks and shares in regional companies. At the moment the fund is approximately 40 per cent liquid.

On the strength of the yield on the shares that they propose to buy, the managers are hoping to *lift the yield on units in the fund* from the present 4½ per cent to around 7 per cent over the next 18 months. The are also hoping that the fund—now worth some £75,000—will rise to a minimum of £200,000, and preferably to £1m, within the next 12 months. At the present level dealing costs are disproportionately high.

Target had intended to merge the Coyne Growth Fund with one of its existing funds, Mr. Tim Simon, chairman of the group, said yesterday. However, the new fund fills a gap in Target's range, and unitholders have been strongly in favour of the change.

Electra keeps to investment policy

In his latest annual report Mr. Mrfi Alastair Roger, chairman of **Electra Investment Trust**, points out that the *policy of making* a speciality of investing in small listed companies, and in unlisted shares, is being maintained. The trust, one of Britain's biggest with total assets of £68.32m at the March year-end, held unlisted assets valued by the directors at £16.54m at that date. Almost 61 per cent of the portfolio was invested in the UK, and another 6.5 per cent in international shares with a London listing.

Mr. Roger tells shareholders that, as the company's interest in investing in special situations is becoming better known, more and *more varied propositions are* being received. This in itself, he points out, represents a potential danger, in that such situations require a great deal of management time in both selection and monitoring, and in consequence *the investment managers are* becoming more and more selective. Nevertheless, their commitment in principle to such investments — in the exception of an above average *yield* and a long-term high level of capital appre*ciationxremains unchanged.*

Last year Electra's earnings rose by more than 15 per cent, *and the dividend was raised by* more than 16 per cent. Over the past 10 years, dividends have grown at 16 per cent compound.

Good start for Amber Industrial

Current trading conditions at **Amber Industrial Holdings** indicate that the company will be able to maintain its new level of profit with perhaps some *improvement*, says Mr. J. A. Thomson, the chairman in his annual statement.

Pre-tax profits for 1977-78 rose 59 per cent to a record £361,338, as already known. Turnover was better at £3.03m (£2.45m).

The most significant advance in profit during the year came from Ambersil, which was achieved after deducting a larger loss on the German sales operation. Mr. Thomson explains that while this *further loss is disappointing*, the directors are inclined to persevere with this venture provided that such losses are not disproportionate to their assessment of the potential profit which may result.

Causeway Steel Products, although not quite attaining its *record result* of last yer, continued to show a very satisfactory return on the capital employed and March Cold Stores was able to benefit from the strong demand *for cold storage capacity with a* consequent improvement in profit, he adds.

The ultimate holding company is Caledonia Investments.

Meeting, Cayzer House, EC, July 24, at 2.30 pm.

Edgar Allen Balfour well below forecast at £2.5m

ALTHOUGH SHOWING a significant recovery compared with 1976/77's £737,000, which was depressed by industrial action, group pre-tax profits of **Edgar Allen Balfour** at £2.48m for the year ended April 1 1978 have fallen well *short of forecast.*

In his annual report last July Mr. J. D. Oakley, chairman, said *that the reorganised group* was in a strong position to take full advantage of any general upturn in the economy and he expected that profits for 1977/78 would exceed the £3.3m record reached in 1975/76. However reporting on the half year profits *in* November (they were up from £0.52m to £1m) he warned of many *uncertainties in the trading* outlook and reassessed the position as being one where *although the year's result would* be satisfactory it would probably be below expectations.

The improved result reflects a turnround of £1.67m to a profit of £1.54m from the UK companies —the engineering side showing a profit of £519,000 *against a loss* of £814,000. Mainly due to losses in North America and elsewhere *the* overseas contribution was down from £816,000 to £480,000. Profit was also aided by a surplus of £699,000 (£158,000) on the sale of fixed assets.

Group external sales in the year improved from £49.13m to £58.54m —the value of direct exports from the UK was up from £9.1m to £11m. The group's share of the export market has been maintained *after considerable efforts* against fierce competition.

Looking ahead the chairman reports that there is still no sign of an upturn in world trading conditions in the special steel and engineering sectors. More *recently there has been a* significant decline in demand for all types of steel and in particular, the problems in the tractor and heavy goods vehicle industries are having repercussions in the demand for steel products. In all *activities competition is intense.*

Members are told that the low level of orders for tool steel and high speed steel coupled with activity of overseas competitors in this market has resulted in the group having a very poor start to the current year. The chairman sees too many *uncertainties to* make a forecast for the year but feels that the group is in a strong *position to take* advantage of any general upturn in the economy.

Orders on hand at May 31 totalled £20.8m compared with £22.8m at the half year end and £22.6m a year ago. The chairman points out that the order intake during the last three months for special steels is at the lowest level ever experienced and orders are being *accepted in* both home and overseas markets at prices which are seriously *depressing margins.*

It is not considered that the results and short term prospects *justify an increase in dividend,* so this is being maintained at 4.33p with a final of 3.13p. Earnings per 25p share are stated at 6.8p against 1p.

	1977-78	1976-77
	£000	£000
External sales	58,538	49,130
Operating profit	3,059	1,786
Interest	1,360	1,364
Share of associates	80	157
Profit sale of fixed assets	699	158
Profit before tax	2,478	737
Overseas tax	44	376
Irrecoverable ACT	767	144
Development land tax	297	—
Net profit	1,370	217
Minorities	13	13
Preference dividends	16	16
Attributable ordinary	1,341	188
Currency losses	115	122
Extraordinary items	49	1,048
Leaving profit	1,177	*982
Ordinary dividends	856	856
To reserves	321	†1,838

The 1977 figures have been restated to incorporate the effects of the revised group accounting policies relating to *finance leases and depreciation of buildings.* * Loss. † From reserves.

A breakdown of group turnover and profit shows (£000s omitted): *UK subsidiaries—special steels* £13,631 and £446 (£10,581 and £240); forgings and castings £17,256 and £374 (£13,161 and £445); engineering including tools £21,431 and £519 (£18,304 and £814 loss); overseas subsidiaries—South *East Asia and Australasia* £12,051 and £619 (£10,992 and £735); North America £1,029 and £103 loss (£960 and £2); and other £579 and £36 loss (£641 and £79).

In the first half the UK group suffered an adverse cash flow of £2.1m *mainly attributable to the* reinstatement of normal working capital levels following industrial action and £1.2m spent on new *plant* and premises. In the second half the UK group achieved a positive cash flow of £801,000 after further spending on new plant and premies amounting to £761,000 and £469,000 received from the sale of land and buildings.

The two major capital investment projects have continued ahead of schedule. The GFM long forging machine for Edgar Allen Balfour Steels costing £2.5m was commissioned in March, 1978, *and is now fully operational.* The Davy Loewy press for George Turton Platts and Co. costing some £2.2m is in the course of installation and is expected to be commissioned in September, 1978. Both investments are financed by leasing agreements.

Overseas expenditure of £813,000 on new plant and the completion of a new warehouse and head office in Sydney, Australia, together with the cost of starting up new operations *in Hong Kong* and the U.S. has resulted in an overseas adverse cash flow of *£549,000.*

● comment

Pre-tax profits at **Edgar Allen, Balfour** are more than trebled although this is still 26 per cent lower than the 1976 result. Profits this time also include a £0.7m boost from fixed asset sales, against £0.16m, while the turn*round in engineering* is primarily due to rationalisation including the Capital Tools closure. Overall return on capital has improved to 7½ per cent from the low levels last time. But with demand weak for most of the company's products, on top of rising costs and overseas gross margins which have been squeezed from 6.5 per cent to 3.5 per cent, the way ahead is certainly uphill. Many companies in the private steels sector have been cutting costs and installing new capital equipment during the recession. The labour saving GFM machine is now fully operational and barring a repeat of last year's plant failures, there should be some boost to the forgings division's *profits.* At 58p the shares still yield a speculative 12 per cent and stand on a p/e of just over 8.

J. Bright in strong position

THERE IS no clear evidence as yet of a sustained recovery in demand for products of **John Bright Group**, says Mr. I. M. L. D. Forde, chairman, in his annual statement. The timing of this is still unpredictable, he adds, but he is confident that with its modernised capacity, the group should be in a strong position *to reap the benefit when it comes.*

As reported on June 1 the group finished the April 1, 1978, year with taxable *profits* more than halved from £1.25m to £506,000 on turnover *little changed* at £20.87m (£20.7m). The dividend is maintained at 2.42p per share.

On a CCA basis pre-tax profit is adjusted to £0.44m after depreciation £0.51m, cost of sales addition £0.43m and the gearing factor £12,000.

World demand for group products declined in the second half of the year and the pressure on profit margins increased in the highly competitive conditions created.

Trading conditions were affected by a sharp fall in the price of cotton during the first half and the value write-down of group cotton stocks resulted in a stock loss of £271,000.

Also the general swing to radial tyres caused *a world decline in* the demand for textile reinforcement used in tyres and in the *autumn of 1977* Goodyear decided to buy a substantial part of its *requirements from the continent,* thus reducing the demand from British suppliers. In the light of this the group closed down its operation at Preston, costing *over* £98,000.

Sales of the industrial textiles division fell sharply in the latter half of the year and pressure on prices became severe. The spinning division was similarly affected. However, in a market which has been far from buoyant, sales of carpet yarn have been maintained at a satisfactory level, the chairman states, and plans are well advanced to increase productive capacity in this field.

Meeting, 100, Old Broad Street, EC, July 19 at 12.15 pm.

WIRE & PLASTIC PICKS UP

In the current year **Wire and Plastic Products** had recovered from the slightly disappointing start, and sales to date now exceeded the corresponding figures for last year, the annual meeting was informed.

The board had every confidence that current levels would be maintained and that the dividend would at least be held.

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BIDS AND DEALS

Econa suspended on talks

Shares of Econa, the Birmingham sanitary engineer, were suspended yesterday at 70p after the company announced that it had been involved in discussions which might lead to a bid being made for its shares.

This approach follows the sale of a 18½ per cent stake in the company at the end of last year by Walter Lawrence—the construction, engineering and plant hire group—to a number of institutional investors.

The name of the potential bidder has not been revealed and is unlikely to be so until at least the weekend. Econa which earned pre-tax profits of almost £700,000 in the year to March 31, 1977 showed group net assets of £3.4m.

NORTHERN FOODS SHARES PLACED

Over 5m shares in Northern Foods have been placed with several institutional investors by the Samworth family, following NF's takeover of Pork Farms. The placing took place last Thursday and Friday when the NF shares were quoted at 94p.

Taking account of non-payable stamp duty, the discount was between 6 and 7 per cent. The Samworth family is retaining between 2.5m and 2.75m NF shares. It is understood that only a small proportion of Pork Farm shareholders opted for the cash alternative.

WARREN PLANTS.

Warren Plantation Holdings, which recently paid £1.9m for Supara Investments which owns rubber an doil palm plantations in Indonesia, has sold its entire 18.08 per cent stake in Anglo-Indonesian Corporation. "Investment clients" are said to be the buyers.

The shares appear to be those which Warren acquired last October when Arbuthnot Latham sold its 20 per cent holding of Anglo-Indonesian. Rothschild Investment Trust and Old Court Commodity each have about 6 per cent of Anglio.

SIMON ACQUIRES U.S. COMPANY

Simon Engineering has bought Krause Manufacturing of Milwaukee, Wisconsin, a company which manufactures and sells throughout the U.S., a range of self-propelled hydraulic man-lifts which complement Simon Engineering Dudley's current range of products.

The purchase price—$1.5m—is to be paid in instalments. Krause has a turnover of $5m.

HARRIS & SHELDON TALKS OFF

Harris and Sheldon's share price slipped 3p to 50p yesterday as the company announced that talks with a mystery bidder had been terminated.

Last month the group whose interests range from sporting guns to lifts, announced that it had been involved in discussions which might have led to a bid. Yesterday, however, it announced that the potential bidder had decided in view of the uncertain economic outlook and rising interests not to pursue its approach.

HME CLOSURE

Harrisons and Crossfield's offer for Harrisons Malaysian Estates will finally close on July 13, H and C's advisers Baring Brothers announced yesterday.

But already H and C has achieved a comfortable margin over the 51 per cent it needed for control of HME. By Tuesday Baring said that H and C already controlled more than 78½ per cent, having received acceptances from 88.49m shares (53 per cent).

ASSOCIATES DEAL

On Tuesday, Rowe and Pitman, Hurst-Brown sold for a discretionary investment client 4,450 Thomas Tilling ordinary shares at 115p.

SHARE STAKES

Rentokil Group—Mr. E. M. Buchan, director, has exercised rights to subscribe for 225,000 shares under share option scheme. Shares were sold in the market on the same day.

George Whitehouse (Engineering)—Mr. A. J. Cross, director, has acquired a beneficial interest in a further 1,000 ordinary shares making total beneficial interest 377,790 shares, of which 376,790 continue to be held by the Midland Northern Trust.

BSR—Mr. J. N. Ferguson, directors, has disposed of 50,000 ordinary shares

Provincial Laundries—announced on June 20 that non-beneficial interest of director, Mr. J. I. Goldring, in the shares held by Linnet Consulants and associates had been reduced to 10 shares as a result of the sale by Linnet of 40,533 shares. Mr. Goldring has notified the company that in fact the whole holding of 40,543 shares was sold and his non-beneficial interest therefore has been eliminated.

Racal Electronics—increased holding of ordinary shares in Adwest Group to 690,014 shares (8.06 per cent).

British Electric Traction—Mr. G. R. A. Metcalfe, director of Advance Laundries, has disposed of 30,000 deferred ordinary shares.

Highcroft Investment Trust—Mr. N. A. Smith, director, has disposed of 10,000 shares held in a beneficial capacity decreasing his interests to 42,625 shares. Kingerlee has acquired 10,000 shares in a beneficial capacity increasing shareholding to 212,998 (7.55 per cent) ordinary shares.

Danish Bacon—Equitable Life Assurance Society is beneficially interested in a total of 200,000 "A" ordinary shares (11.5 per cent).

British Petroleum—Phoenix Assurance is now the beneficial holder of £735,000 8 per cent cumulative first preference stock (10.16 per cent).

Wiggins Construction—Gee Walker and Slater holds 515,725 ordinary shares (9.7 per cent).

Marks and Spencer—Received notification of a disposal of 5,000 ordinary shares and purchases of 568,635 and 287 ordinary shares in which Mr. J. E. Sieff, a director has an interest as trustee.

Ch. Goldrei Fouchard and Son—Gedma Investments, now holds 115,000 ordinary shares together with the holdings in the names of the two directors, Mrs. M. A. Davies and Mr. G. E. Davies. Total figure of 120,000 represents just over 5 per cent of the ordinary capital.

Wace Group—Trustees of E. G. P. Wace (deceased) hold 62,092 shares (5.6 per cent).

Lindsay and Williams—Mr. P. Bennett of Security Growth has reduced his holding of 149,500 shares to 105,000 (10.1 per cent).

Minty—D. E. Thompson and family have increased holding to 65,992 (16.5 per cent) shares.

Hern-Consulate—M. A. Nachman has sold 10,000 ordinary shares and now holds 69,510 (4.96 per cent).

Deritend Stamping—Britannic Assurance has acquired a further 27,000 ordinary shares increasing holding from 11.89 per cent to 12.14 per cent.

Garfons—Antares has acquired 129,500 ordinary shares bringing total holding to 139,500 (6 per cent).

Sun Life Assurance—Kuwait Investment Office has increased its interest to 5m (8.68 per cent) shares by purchase of 100,000.

Elswick-Hopper—Sir R. Carr-Ellison, a director, has sold 100,000 ordinary shares registered in the name of the Carr Ellison Estates.

'Strengthen law on shoplifting'

RETAILERS should be given powers to detain suspected shoplifters and have complete protection against claims for wrongful arrest, it was suggested yesterday at a security and protection exhibition conference at Leicester.

Mr. Frank Pegg, a security expert and Home Office lecturer, told retail executives and security personnel: "The retailer or store detective has no option but to arrest shoplifters, and often the thief gets away because the retailer is afraid to do this for fear of the legal consequences of making a mistake."

Ilfracombe bid to draw jobs

A BROCHURE designed to "sell" a new industrial site at Mullacott, two miles from the centre of Ilfracombe, is being launched next week. It will be circulated to industrialists with the help of the CBI, the Department of Industry, Devon County Council and North Devon District Council and will be supported by an advertising campaign.

Ilfracombe has 21 per cent of the working population unemployed, compared with the national figure of 5.7 per cent.

MINING NEWS

Ergo moving forward with confidence

BY KENNETH MARSTON, MINING EDITOR

"PROSPECTS FOR the current financial year remain good," says Mr. Harry Oppenheimer in the first chairman's statement of East Rand Gold and Uranium (Ergo), the brilliantly conceived project for extracting at a good profit the gold, uranium and acid content of South Africa's old mine waste dumps.

Ergo formally came to production in February of this year, only two years after the decision to proceed with the project. Inevitably, there have been some teething troubles and full rated monthly output of approximately 580 kilograms (18,647 ounces) gold, 16.5 tonnes of uranium and 44,000 tonnes of sulphuric acid will now be reached nearer the end of 1978, a few months later than earlier forecast.

The previously projected capital cost of R140m (£87.5m) is also expected to be exceeded, but only by R5m. And it will be recalled that Ergo's prospectus last November estimated that the capital expenditure could be recouped within five years from the start of production.

The company also anticipated a "substantial" profit for the current year to next March and a first dividend of 25 cents for the year with a doubling of this rate in 1979-80. These projections were based on a gold price range only of $120 to $150 per ounce (the project's break-even price was given at $80) and so the slightly delayed attainment of full production seems unlikely to adversely affect the dividend expectations.

Unlike a conventional mining operation, Ergo operates with a relatively small number of employees and has been able to avoid reliance on migrant labour. Mr. Oppenheimer says that the company has developed a non-discriminatory personnel and industrial relations policy for black and white employees "to the extent permitted by existing legal constraints" and a unified wage scale has been introduced.

ENDEAVOUR DEAL WITH ULTRAMAR

Australia's Endeavour Resources has concluded an agreement with an affiliate of Ultramar which allows the latter to earn half Endeavour's interest in the Mariut Block, Egypt. Ultramar will carry Endeavour at no cost through the next $1m (£540,000) of expenditure which will include the drilling of two wells.

At the end of that period Endeavour's interest in the oil and gas venture will be 9 per cent and the interest held by other participants will be: Murphy Oil 50 per cent, Ultramar 25 per cent, AAR Limited 13.5 per cent, Gulfstream Resources 2.5 per cent.

Further seismic surveys are planned to commence at the end of this year and drilling is planned for the latter half of 1979. Endeavour shares were 2p up at 22p yesterday.

S Crofty keeps its promise

THE CORNISH tin-producing South Crofty has fulfilled its profits and dividend forecasts for the year to March 31. Pre-tax profits have advanced to £2.18m from £1.48m while the tax charge has increased to £949,438 from £679,547. This leaves earnings of 8.22p per share out of which a final dividend is declared of 2.475p which makes the forecast total of 4.125p.

The latest results reflect the high price of tin which on the London Metal Exchange averaged £6,171 per tonne over the past year compared with £4,886 in 1976-77. It was £6,717 yesterday. South Crofty's production of tin concentrates was little changed at 2,211 tonnes against 2,207 tonnes.

Crofty's major shareholder is the Saint Piran group with a stake of 65 per cent, having sold the remaining 35 per cent via a public offering of the shares last year. Offered at 50p they soared to 88p before boiling over. They were unchanged at 60p yesterday.

UTAH DECLARES FORCE MAJEURE

Utah Development yesterday declared force majeure on coal deliveries owing to strikes at its four central Queensland operations. A spokesman stated that it is imposisble to say when the force majeure will be lifted after the men return to work.

The strike, which began on June 19, will continue until next Monday at least. The last available coal for shipment is being loaded on to a Japanese vessel at the port of Gladstone. Most of the coal from the mines goes through Hay Point, where stocks are nearly exhausted.

The coal miners are in dispute over a pay claim. They are seeking a higher percentage of wages paid above industry award rates.

Utah ships about 300,000 tonnes of coal a week from its Queensland mines.

Utah Development is part of the General Electric group, but 10.8 per cent of its stock is held by Australian investors through Utah Mining Australia, whose shares yesterday were 375p, down 15p.

ROUND-UP

The Australian coal producer Clutha Developments, increased its net income by 27.7 per cent on 1977 to A$29.6m from A$23.2m the previous year. Clutha is jointly owned by the Ludwig Institute for Cancer Research and British Petroleum.

* * *

A group of dissident shareholders in Afton Mines, the Canadian copper producer, plans to seek an injunction in the Supreme Court of British Columbia to prevent completion of a capital reorganisation and refinancing programme. The dissidents hold about 13 per cent of the Afton shares and are led by Mr. D. L. Price.

* * *

Inco Metals has proposed to the United Steelworkers of America that present arrangements covering hourly-paid employees at Sudbury and Port Colborne in Canada should continue for a further year. The suggestion was made against the background of a depressed nickel market and follows extensive lay-offs last February.

* * *

Elandsrand Gold announces that, of the 25.16m shares offered at R3.05 per share, subscriptions have been received for approximately 99.3 per cent. The balance of approximately 0.7 per cent will accordingly be subscribed for in terms of the underwriting agreement. The offer closed on June 23. Certificates in respect of shares subscribed will be posted to applicants on or about July 14.

Portsmouth & Sunderland circulation buoyant

Heavy promotion campaigns at Portsmouth and Sunderland Newspapers together with an improvement in the content and design of most of the group's newspapers has resulted in buoyant circulation, Sir Richard Storey, the chairman says in his annual report.

A major aim now is to regain the previous level of household coverage and achieving this target would mean that, with population growth in the group's three areas, a significant increase in circulation would be achieved.

The volume of advertising in each of the company's evening newspapers continues to rise; and the chairman is more confident that advertisers are willing to pay enhanced rates for provincial newspaper space than that readers are prepared to pay frequently rising cover prices.

Each of the evening newspapers is now selling for slightly less than many others in the country, and advertising rates have been increased by as much as was thought reasonable.

"Of course optimum use of modern technology would help stabilise both cover prices and advertising rates," says Sir Richard.

For the year ended April 1, 1978, pre-tax profit rose from £1.36m to £1.93m. The dividend is 3.13507p.

The financial results are undoubtedly good, Sir Richard says. The large capital investment in the south is now beginning to earn a proper return, while the present trend in advertising volume and newspaper circulation is encouraging. It is, however, salutary to note that the first current cost accounting statement shows a profit before tax of £1,554,000.

In their report, the auditors state that in the following respects the accounts do not comply with the requirements of the relevant statements of Standing Accounting Practice:

Profits and losses on sale of fixed assets have been taken direct to reserves and not dealt with in the profit and loss account;

Regional development grants have been taken direct to reserves and accordingly are not being credited to profit and loss account over the expected useful lives of the assets concerned.

Management has continued negotiations with the production unions to enable the most modern composing techniques available to be used at The News Centre, Portsmouth. Some of the new equipment has been installed and it is hoped that the rest will follow soon.

At the Mail, Hartlepool, a programme of modest development has been started to improve working conditions for the staff and raise the quality of the paper so that the profit from this office may be increased.

Two of the radio stations in which the company has an interest—Metro Radio (Tyne and Wear) and Radio Tees (Teesside) have begun to produce small profits, and the third, Radio Victory (Portsmouth) is moving towards profitability.

Meeting, Sunderland, July 21, at 12.30 p.m.

MINING BRIEFS

GOLD AND BASE—Output of concentrates (73 per cent grade) for May: tin 27 tonnes, columbite nil. Five months ended May 31: tin 127 tonnes, columbite 1 tonne. Same period last year: tin [illegible] tonnes, columbite 3 tonnes.

More prizes for safety films

TWO Central Office of Information films on drinking and driving, prizewinners at the London Television Advertising Awards in April, took the top and third prizes in their class at the 25th International Advertising Film Festival in Cannes. A third commercial was also an award winner.

The awards went to What Do We Do With the Drunken Driver?, The Difference and Outside Loo.

Factory growth boosts jobs

FIFTY NEW jobs are expected to be created when the Development Board for Rural Wales builds a £223,100 extension to the Llandrindod Wells factory of Setten and Durward, letterfiles manufacturers.

The extension will provide 13,500 sq ft of new space. The company hopes to be using the extension by the middle of next year. It now employs some 220 people at Llandrindod Wells.

BPB again turns in £27m: repaying pref. at 95p

AS INDICATED at the half-time stage, pre-tax profits of BPB Industries were little changed at £27.25m for the year to March 31, 1978, compared with £27.15m for 1976-77. Sales increased from £243.24m to £274.63m.

In October, when reporting mid-way profits of £14.92m (£14.45m), the directors expected the full-year figure to be at about the same level as the previous year.

At the AGM on July 28, proposals are to be submitted to preference and ordinary shareholders for the cancellation of the preference share capital on terms that holders of the 303,664 5.6 per cent cumulative preference £1 shares will be paid 95p per share.

In accordance with ED 19, UK tax for the year takes £5.99m (£4.39m) and overseas tax £1.9m (£2.88m). Basic earnings are given as 44p (45.2p) per 50p share and a final dividend of 3.824p raises the total payment from 6.879p to the maximum permitted 7.624p net.

An analysis of sales and profit of £25.36m (£25.25m) shows (in £000's): building material etc.—UK £129,198 (£112,512) and £14,662 (£13,274), Canada £32,124 (£32,663) and £1,337 (£1,203), France £56,949 (£47,983) and £3,045 (£3,675), Republic of Ireland £10,638 (£9,066) and £1,474 (£891); paper and packaging—UK £65,225 (£61,417) and £7,086 (£6,714) and Netherlands £10,949 (£7,999) and £2,240 loss (£503 loss). Intra-group sales amounted to £30.45m (£28.4m).

New housing completions during the year were down on the previous year and the growing use of plasterboard for internal linings and partitions was offset by a decline in sales for non-housing construction. Profitability in the gypsum division increased due to improved efficiencies resulting from the ongoing capital expenditure programme of recent years, the directors say.

The relatively steady demand for plasterboard liner enabled the UK paper and packaging subsidiary marginally to increase its turnover and profits. During the year this company embarked on a £9m project for the modernisation of the board mills at Aberdeen.

Expenditure on fixed assets was at a record level of nearly £23m and further commitments totalling £47m include a glass fibre insulation plant in the UK and a new plasterboard plant in Canada.

	1977-78 £000	1976-77 £000
Sales	274,628	243,237
Depreciation	9,482	7,757
Interest	3,172	2,561
Profit	25,364	25,254
Share of assocs. profits	1,886	1,895
Profit before tax	27,250	27,149
UK tax	5,999	4,390
Overseas tax	1,897	2,885
Net profit	19,354	19,874
To minorities	59	102
Extraordinary debits	186	171
Attributable	19,109	19,601
Preference dividends	17	17
Ordinary dividends	3,354	3,008
Retained	15,738	16,575

● comment

BPB's virtually unchanged profits fall into line with the company's mid-term projection. But some analysts had been hoping for a little more and the shares fell 3p to 207p. More than half group profits come from UK building materials, and although sales of plasterboard were down six per cent in volume, overall margins in this division were more or less maintained. Losses from the new chipboard machine, however, totalled £1.5m, due to low demand and competition from cheap imports. Profits from the French company fell 17 per cent as a result of price controls. But these restrictions have now eased and since plasterboard has less market penetration in Europe than in the UK, growth potential here looks promising. Losses from the Netherlands are four times greater than previously but BPB expects to break even in the current year. With a £0.72m write off denting the contribution from associates, the group has had a number of largely peripheral difficulties to contend with. Nevertheless BPB's UK base is solid and with both private and public housing starts on the increase, profits should start to move again this year. The shares stand on an undemanding P/E of 4.6 and yield 5.7 per cent.

Final half downturn at Somic

Profits before tax of Somic, kraft paper spinner and weaver, fell from £205,476 to £163,591 in the year ended March 31, 1978. Turnover amounted to £2.09m against £1.84m.

First half profits had shown a 10 per cent rise to £88,401 but the directors said then that they did not consider this to be satisfactory as turnover had increased by 25 per cent. Some of the lack of profitability could be attributed to the introduction of new products, they added.

An unchanged final dividend of 1.4566p makes a maintained total of 2.3228p for the year. Earnings per share are shown as 3.754p (4.838p).

Tax takes £88,506 (£108,714) leaving net profit at £75,085 against £96,762.

Silentnight confident

Shareholders of Silentnight Holdings could look to future growth in earnings, chairman Mr. Tom Clarke said at the annual meeting. Group cash flow was strongly positive, he said, and the net worth of the business was being improved all the time.

Mr. Clarke also told shareholders it was clear that group trading profits before tax to the half year ending July 31, 1978, would be significantly ahead of the equivalent period last year.

To ensure continued future growth in earnings, the Board had already approved capital expenditure exceeding £2.5m.

INTERNATIONAL FINANCIAL AND COMPANY NEWS

NORTH AMERICAN NEWS

Petro-Can opts out of Husky bid

BY ROBERT GIBBENS

MONTREAL, June 28.

THE NATIONAL Oil Company, Petro-Canada to-day dropped its C$572m cash bid for Husky Oil and Mr. Robert Blair, the man who was active in the decision on the Alaska Highway gas pipeline route last year, has emerged as effectively the largest single shareholder of Husky.

Albert Gas Trunk Line (AGTL), headed by Mr. Blair and the largest gas transmission company in Alberta, confirmed last night that it had continued buying Husky stock in the open market on Tuesday and now held 35 per cent of the 11m Husky shares outstanding.

This came only 24 hours after AGTL revealed that its holdings in Husky had grown from 4 per cent to 23 per cent since the first week in June. On Monday, the market price in Canada of Husky shares reached a high of C$53. On Tuesday, after AGTL revealed that it had 23 per cent of the Husky stock, the price fell back to around C$47 in the market, as doubts spread that Petro-Canada would go ahead with its promised C$52 a share offer.

Today, Petro-Canada said it would not go ahead with its offer, because of the major purchase of Husky stock by AGTL. Trading in Husky was halted for dissemination of this news. Husky also trades on the American Stock Exchange in New York.

Petro-Canada claimed that many of the AGTL purchases were made in the market at a level above its bid of C$52. However, yesterday AGTL could have bought the shares for considerably below that level. Petro-Canada also said AGTL had indicated that it may buy more Husky stock.

The 35 per cent holding of AGTL considerably outweighs that of the previous controlling group — the Nielson family of Cody, Wyoming. The Nielsons had earlier accepted a share-exchange bid from Occidental Petroleum of the U.S., equal to about C$54 a share, subject to 80 per cent acceptance. It now appears that AGTL, possibly with agreement of Ottawa and the Alberta Provincial Government, has effectively blocked the Occidental bid.

AGTL and Mr. Blair, with the help of some Western Canadian oil and gas interests, last year succeeded in getting the US $11bn Alaska Highway natural gas pipeline route accepted to move Alaskan gas through Canada to mid-West U.S. markets. AGTL is the main sponsor of the Canadian section of the line.

Questions have been raised about the delays in the financing. How AGTL is financing its acquisition of Husky stock is not clear. Nor are its intentions for the future of Husky, and its heavy oil reserves in South West Saskatchewan.

Husky, with assets of well over C$600m, is an exploration production and marketing company with two-thirds of its operation in Canada, and one-third in the U.S. It claims 16bn barrels of heavy oil in place in its permit areas in the Lloydminster area of South West Saskatchewan. It has been producing on a small scale from these reserves for many years. The issue in the takeover of Husky control has centred on further development of these reserves through tertiary methods and installation of a C$500m upgrading plant.

Reports from New York claimed that Pershing and Co., New York brokers, bought most of the 1.7m Husky shares traded on the American Stock Exchange on Monday. Pershing usually acts on behalf of other investment firms. In Canada, Occidental Petroleum has been represented by Burns Fry, working with Occidental's U.S. agent Kidder Peabody.

Dominion Securities, a major Canadian national investment house, was a big buyer of Husky stock last week in Toronto and may have been acting for AGTL.

A document filed with the SEC in Washington revealed that up to June 26 AGTL spent C$127m in acquiring Husky stock, mostly borrowed from the Bank of Montreal and the Bank of Nova Scotia.

Inspiration Holdings offer

NEW YORK, June 28.

INSPIRATION HOLDINGS, owned indirectly by Hudson Bay Mining Smelting of Cadana and Minerals Resources Corporation of Bermuda, has instituted an offer to purchase any and all shares of Inspiration Consolidated Copper for cash at $33 per share.

Inspiration Holdings currently owns 39 per cent of the outstanding shares of Inspiration Consolidated Copper. The offer is to expire on July 17 unless extended.

Mr. John B. Howkins, president and chief executive of Inspiration Consolidated Copper, said today that at yesterday's Board meeting Inspiration's directors had repeated their intention neither to recommend nor oppose the cash tender offer being made by Inspiration Holdings.

AP-DJ

Anderson Clayton

The commodities trading company, Anderson Clayton, achieved a net Cruzeiros 4.4bn ($345.8m) operating revenue in 1977—40 per cent higher than in 1976 reports Diana Smith from Rio de Janeiro. Gross profit of Cr 1.1bn ($61.4m) was 26 per cent of billings: net profit was Cr 2,381m ($13.3m)—a nominal increase of 25.2 per cent over 1976.

Net assets rose from $33.6m at the end of 1976 to $48.4m—a 45.4 per cent increase.

Electronic banking finds favour

BY OUR OWN CORRESPONDENT

NEW YORK, June 28.

A SURVEY of U.S. consumer attitudes towards electronic funds transfer services (EFT) offered by American banks reveals today that fewer than half those questioned were aware of their existence. Of those who had come across them, 38 per cent thought they were a good thing, 24 per cent thought they were bad, and the rest had no opinion.

The survey, by Cambridge Reports, was commissioned by the Electronic Money Council, a multi-industry group bringing together banks and other organisations connected with EFT, the generic term for the new electronic gadgetry which banks are introducing to improve retail banking.

Although these results were perhaps more disappointing than the Council might have hoped, the survey did show that EFT has higher acceptance among the young, among people who make big use of financial services, and among opinion leaders. Furthermore, respondents who were not familiar with EFT were generally interested in using at least one of the services available once these had been explained to them.

The most popular services were the automatic teller machines, point-of-sale cheque and credit card authorisation machines and in-store banking.

In presenting these results, Mr. James Smith, the Council's co-chairman and a senior executive of the First Chicago Corporation, said that opinion research combined with the banks' own experience show that people like the use EFT once they have the chance to become familiar with its benefits and safeguards.

But he acknowledged that EFT had received a generally hostile reception in the U.S. press, and he said that a wide-ranging public education programme was necessary to build up consumer understanding.

Baltimore Gas earns more

INCREASED PROFITS are registered by Baltimore Gas and Electric, AP-DJ reports. Net profits for the year ended May 31 last amounted to $116.5m, or $3.23 a share, against $103.1m or $2.86 a share previously.

Revenues totalled $861.9m, compared with $792.5m, the previous year.

Olympia York unit loan

O. Y. EQUITY, a U.S. unit of Olympia York Developments, has borrowed $41m from Royal Bank of Canada through the bank's U.S. agent, AP-DJ reports from Toronto.

Proceeds will be used to finance the acquisition of a building at 466 Lexington Avenue in New York and two Penn Central-owned properties on Park Avenue.

EUROBONDS

Indo-Suez $30m issue

BY OUR FINANCIAL STAFF

THE EUROBOND market was alive with rumours yesterday predicting large issues for several major banks, including Chase Manhattan.

One issue was announced — $30m for Indo-Suez. This offers a quarter of a point over LIBOR for a seven-year maturity with a minimum rate of 5¼ per cent.

According to agency reports, other issues which emerged yesterday include a DM 25m placement for the South African Railways and Harbours Board offering 8 per cent at an indicated price of 99½ per cent, and a Lux FFr 250m offering for BAT International Finance. This reportedly offers 8 per cent for 10 years via Kredietbank.

Texas oil pricing investigation

HOUSTON, June 28.

THE Federal Bureau of Investigation says that numerous agents, along with an assistant U.S. attorney, have been in Houston investigating several oil companies on suspicion that they may have been pricing old oil as new oil over a period of five years.

The agency declined to name any of the companies involved in the probe. The investigation was said to involve the alleged practice by certain oil companies of unlawfully inflating the price of old oil, which sells at about $8 a barrel, to the price of new oil, which sells for about $14 a barrel.

Certain oil companies were alleged to have accomplished the price change through paper middlemen made to look like intermediaries in the sale of oil by refiners to distributors.

In Houston the FBI said that "if what we feel as investigators is true here, then this is just the start." The agency declined to estimate the amount of money involved in the alleged scheme, but a source familiar with the investigation said that, on a nationwide scale, it could involve up to $1.1m a day.

AP-DJ

AMC-Renault talks

American Motors Corporation still hopes to complete negotiations on a joint car distribution and production agreement with Regie Nationale des Usines Renault the French car maker "in the not too distant future" AMC's chief executive officer said in Toledo, reports AP-DJ. Mr. Gerald C. Meyers, AMC's president said that, while an agreement still has not been reached "the discussions are going on and they are going well. We are optimistic." He declined to elaborate on the talks or any issues involved however.

Philips Industries

Philips Industries predicted that sales for the second quarter would be greater than $70m, up from $62.7m a year earlier, reports AP-DJ from Dayton. Mr. Jesse Philips, chairman and chief executive, told the annual meeting that earnings per share for the second quarter should be about 40 cents compared with 35 cents. Mr. Leonard Reardon, vice president-finance, forecast net earnings for the second quarter of about $2.5m compared with $2.2m.

Louisiana Pac. deal

Louisiana Pacific Corporation has reached agreement with the FTC that allows the approximate $60m merger of Fibreboard Corporation with a unit of Louisiana Pacific without a court challenge from the FTC, reports AP-DJ from Portland. The merger is effective immediately. A condition of the agreement with the FTC is that Louisiana Pacific divest all interest in Fibreboard's medium density fiberboard plant within two years, and that Louisiana Pacific refrain for a ten year period from acquiring without FTC consent particleboard or medium density fiberboard production facilities.

Eurocurrency lending rises to record levels

BY DAVID LASCELLES

NEW YORK, June 28.

LENDING IN the Eurocurrency and international bond markets reached record levels in the first half of 1978, but the trend in spreads continues to narrow towards the half a per cent level, Morgan Guaranty reports in the latest issue of its World Financial Markets.

The Bank estimates that publicised new borrowings reached about $50bn between January and June this year, up 45 per cent on the same period last year. Most of this was in the medium-term syndicated Eurocurrency market, where new bank credits amounted to $33bn, nearly double last year's $18bn. International bond issues, by contrast, rose only slightly from $17.1bn to $17.3bn.

The industrial countries accounted for 56 per cent of new borrowing, but large increases were registered by Canada (to $7bn), Australia, Italy, Greece, Ireland and Yugoslavia. By contrast, French and British borrowing declined in line with their improved balance of payments.

Borrowing by the non-oil developing countries, led by Mexico and Brazil, was sharply up to nearly $13bn, while the OPEC countries' borrowing rose by $2bn to $5.6bn.

Although borrowing by the Communist countries increased slightly to $1.9bn, their market share remained about the same at 4 per cent, thanks to the improvement in their trade with the West. But Morgan Guaranty says that their deficit remains large, and there is a need to refinance growing amounts of external debt falling due. The main borrowers were East Germany, the Soviet Union, Poland and Hungary.

Lending rate spreads during the six months on medium-term loans to prime borrowers dropped below 1 per cent over LIBOR (the London interbank offered rate) and in some cases reached ½ to ⅝ per cent. At the same time, maturities continued to lengthen, with a few extending up to ten years.

Among the reasons for this, Morgan Guaranty notes, the improved creditworthiness of several borrowers and the wide availability of funds. It also says it is too soon to state whether spreads have stopped narrowing, though there is strong resistance to breaking the ½ per cent barrier.

These good conditions for borrowers have prompted many of them to pay off old debts earlier and refinance them on more favourable terms.

Non-industrial profits surge

BY JOHN WYLES

NEW YORK, June 28.

THE PROFITS surge enjoyed last year by large non-industrial companies in the U.S. is confirmed today by a survey which found a strong across-the-board earnings record with a less than expected decline from the record profit increases registered in 1976.

The securities industry proved to be the only sector of serious weakness, largely because of declining revenues and a falling stock market. However, non-industrials generally benefited from higher rate increases for insurances companies and utilities, a record number of people in employment and rising consumer demand for retail goods and transportation.

The results have been collected by Fortune magazine, which annually compiles lists of the fifty largest companies in six non-industria lsectors. The sector-by-sector breakdown is as follows:

Commercial Banking: In assets Bankamerica Corporation and Citicorp were again the first and second largest in a group whose profits rose in 1977 at the fastest rate in four years, 12.2 per cent. Aggregate earnings for the top fifty banks amounted to $3.3bn, while deposits rose by 13.5 per cent, more than twice the previous year's increase, to $521.2bn. Loans made by the banks tripled the 1976 rate of increase and were up 14.8 per cent to $380.7bn.

Life Insurance: Companies in this group do not report net income but the 10.1 per cent rise in life insurance issued last year was the highest annual increase in 20 years. At the end of the year, the 50 largest companies had issued $1.8 trillion (million million) of insurance and their total assets had risen 8.3 per cent to $278.1bn. Prudential widened its lead over second ranking Metropolitan for the fourth year in a row.

Diversified Financial: Profits leaped by 53.4 per cent last year to $4.1bn following a record 63.2 per cent increase in net earnings the year before. Gross revenues were up 12 per cent to $56.5bn. While brokerage companies suffered a large drop in profits, property and casualty insurers and savings and loan associations did well. Aetna Life and Casualty and Travellers Corporation remained the top two.

Retailing: Retailers had their strongest sales growth since 1974 at 9.6 per cent. Aggregate sales were $145.3bn. Profit margins, however, remained slim with the fast food chain, Macdonalds, turning in the best ratio of profits to sales — 9.9 per cent. Sears Roebuck and Safeway Stores, again occupied the top two slots.

Transportation: Profits of the fifty largest rose 25.3 per cent, thanks to fare increases, favourable tax legislation and extra airline traffic. Aggregate earnings were $2.3bn and operating revenues rose 14 per cent to $47.8bn. On a sales ranking, the top two were Trans World Airlines and UAL.

Utilities: State regulatory bodies tolerated considerable rate increases. Assets rose 9.1 per cent to $275.6bn, operating revenues rose 13.1 per cent to $107.3bn and net income 15.9 per cent to $11.7bn. Overall performance was aided by AT and T's 18.6 per cent increase in earnings. This giant accounts for 34 per cent of the group's assets and operating revenues and 38 per cent of its net income.

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INTERNATIONAL FINANCIAL AND COMPANY NEWS

Major reorganisation of Alfa Romeo management

BY PAUL BETTS

ROME, June 28.

IRI, Italy's giant state holding company, announced today a top management and financial reconstruction for its troubled Alfa Romeo and Alfa Sud car manufacturing subsidiaries.

The two car plants—one in the North near Milan and the other in the South near Naples—are expected to report in the next few days overall losses of L149.3bn, or about $174m for the past year.

The losses of Alfa Sud are put at L99.5bn, while the northern company lost L49.8bn. The two companies, entirely controlled by IRI, lost L48.4bn in 1976.

IRI named today Sig. Ettore Massacesi, the current chairman of the state holding company's labour relations organisation, Intersind, chairman of the Alfa Romeo-Alfa Sud group. His appointment follows the resignation of the former chairman, Sig. Gaetano Cortesi, who was given a suspended sentence of 40 days' imprisonment by a Milan magistrate on alleged charges of breaching Italy's rigorous national workers statute.

Sir. Cortesi resigned partly in protest against the magistrates' decision, but he is also understood to have faced increasing internal difficulties inside his own group. The IRI Board had repeatedly asked him to reconsider his decision to resign.

The state holding company also appointed today a new Alfa Romeo managing director. He is Sig. Corrado Innocenti, the former director general of the IRI Aeritalia aerospace group.

At the same time, IRI intends to recapitalise Alfa Romeo and partially recapitalise Alfa Sud. Both companies have increasingly faced mounting losses and indebtedness, at the same time as being plagued with deteriorating labour relations and low productivity.

Meanwhile, AP-DJ reports that Aeritalia Spa., the state-owned aircraft manufacturer, made a net loss of L22.86bn in 1977 compared to a L20.44bn net loss in 1976. Sales fell 19 per cent. The company said that the loss was due to financing charges brought on by delays by the Government in paying for military aircraft built by Aeritalia. These charges came to L23bn.

Losinger sees turnover drop

BY JOHN WICKS

ZURICH, June 28.

TURNOVER OF Losinger AG, Switzerland's leading construction company, is likely to decline from SwFr 490m last year to some SwFr 480m ($258m) in 1978, according to chairman Herr Vinzenz Losinger. While domestic turnover is seen as falling further to SwFr 288m from SwFr 305m this year that accruing from foreign business is expected to reach a new record by climbing to some SwFr 192m from 1977's SwFr 185m.

Herr Losinger told the annual general meeting that the board was assuming an end-of-year exchange rate of SwFr 1.80. This estimate anticipates a dollar rate of little above the all-time low of SwFr 1.77; at present the rate is about SwFr 1.86.

Profitability is expected to be rather better in 1978 than last year, when Losinger profits fell below SwFr 40,000, causing the board to omit a dividend payment. However, Herr Losinger said the Berne-based company was far from earning good or even satisfactory profits.

In a separate development, the Swiss electrical and industrial equipment company W. Moor AG of Regensdorf has acquired a substantial holding in the Stuttgart-based company, Technoprojekt, also a manufacturer of products for industrial use. Moor's annual turnover rose to SwFr 37.5m last year and is expected to grow by a further 20 per cent in 1978, while Technoprojekt booked 1977 sales of some DM 10m.

Danes to open gas sales talks

COPENHAGEN, June 28.

A. P. MOELLER, sole concessionaire for oil and natural gas exploitation in the Danish North Sea sector, has agreed to open sales negotiations for natural gas with the state-owned Dansk Olie et Naturgas (DONG).

The talks between the A. P. Moeller led consortium, Danish Underground Consortium (DUC), and DONG will concern the production of natural gas and the landing of it in Denmark.

Preliminary discussions have reviewed the possibility of economically justifiable natural gas production in the Danish Cora, Dan, Vern and Bent structures.

DUC and DONG estimates of known Danish North Sea gas resources have ranged between 60bn and 100bn cubic metres.

Agencies

Andritz lifts dividend

BY PAUL LENDVAI

VIENNA, June 28.

THE LEADING Austrian engineering company Maschinenfabrik Andritz is increasing its dividend by 1 per cent to 7 per cent for 1977 and maintaining shareholders' bonus at 1 per cent.

Capital is to be increased by Sch 25m to Sch 125m. Incoming orders in the first half of 1978 were Sch 1.4bn, lifting total orders to Sch 3.5bn and providing enough of a workload for full capacity running until the second half of 1979.

Turnover last year rose by 3 per cent to Sch 1.3bn with 68 per cent of deliveries shipped abroad. Including subsidiaries in the U.S. and Spain, sales were up by 1 per cent to Sch 16bn.

Turning to the various sectors, the Board points out that pumps and water turbines were doing "particularly well." Capital spending last year was Sch 89m taking spending over the last three years up to Sch 260m.

Meanwhile, Austria's largest saving bank Zentralsparkasse der Gemeinde Wien is to become the first Austrian credit institute to establish a branch office in Italy. Dr. Karl Vak, director general, stressed that the branch, in Milan, will primarily promote access to the Italian market, business transactions by subsidiaries of Austrian companies and will intensify contacts with Italian credit institutes without, however, engaging in banking business.

He added that Italy is Austria's second largest trading partner with a share of 9.1 per cent in the exports total. The city of Milan was singled out for the location of the office—to be called "Z-bank—representaenz der Zentralsparkasse der Gemeinde Wien" — because "over 40 per cent of Italy's foreign trade goes via Milan."

Boardroom reshuffle at KNP

BY CHARLES BATCHELOR

AMSTERDAM, June 28.

PLANS TO strengthen its top management following the takeover of the board and paper producer Kappa last year, are announced today by Kon. Nederlandse Papierfabrieken (KNP). KNP is now the largest paper manufacturer in Holland with sales of Fl 786m ($352m).

Including Kappa's figures for the last five months of the year, net profit in 1977 was Fl 1.4m ($630,000).

KNP has decided to appoint a five-man managing board to replace the previous board of directors of the major departments. Mr. E. Ten Duis will continue to head the company's top board together with three senior KNP managers and the fifth place will be filled from outside the company.

The acquisition of Kappa for Fl 27m ($12m) is part of KNP's plan to diversify in technically related fields. Kappa uses recycled paper for many of its products and this will reduce KNP's dependence on imported raw materials. KNP is setting up two product groups for printed paper and packaging.

Alko of Finland boosts exports

BY LANCE KEYWORTH

HELSINKI, June 28.

ALKO, the State alcohol monopoly of Finland, reports that per capita consumption of alcohol in Finland in fiscal 1977 increased by 0.7 litres of pure alcohol to 6.38 litres. Expenditure on alcohol rose to FM 4.78bn ($1.12bn), which works out at 7.1 per cent of total private consumption and FM 1,010 per capita.

In spite of this the company was not satisfied with its result for the year. The profit was FM 339m ($79m) and it paid a dividend of 7 per cent (all but two of the shares are held by the State).

Profitability was unsatisfactory because the Government prevented it from increasing prices although costs rose. The revenue to the State from Alko in 1977 was FM 2.76bn, compared with FM 2.62bn in 1976, a nominal increase of 5.3 per cent but in real terms a decrease of 6.6 per cent.

Exports, including industrial ethyl alcohol and yeast, grew by 13 per cent to FM 27.8m. The Fob value of imports was FM 55.2m, an increase of 20.3 per cent on 1976. France headed the list of suppliers with FM 20.7m, followed by Britain with FM 10.4m.

Greece in banking venture with Arabs

By Our Own Correspondent

ATHENS, June 28.

AN AGREEMENT was initialled here yesterday for the establishment of a Greek-Arab bank with a share capital of $15m. Arab interests will control 60 per cent of the bank, making this the first time foreign interests have been allowed to take a majority shareholding in a Greek bank. The deal requires Currency Committee approval.

Participating in the bank are the Kuwait Foreign Trading, Contracting and Investment Company, the Kuwait Investment Company, the Kuwait International Investment Company, and the Libyan Arab Foreign Bank. The 40 per cent minority shareholding will be held by the National Bank of Greece, the country's biggest commercial bank.

Mr. Constantine Mitsotakis, the Greek Minister of Co-ordination who initialled the agreement, said the bank will act as a vehicle for the speedy development of Greek-Arab economic ties and will become the bridge between Arab countries and the EEC.

Professor Angelos Angelopoulos, Governor of the National Bank of Greece, said the new bank will deal in offshore banking operations, will make investments in Greece and abroad and will finance trade between Greece and Arab countries.

The creation of the new bank follows lengthy negotiations between Professor Angelopoulos and Arab banking institutions. The announcement comes on the second day of the Greek-Arab investment meeting (GAIM) being held in Athens with the participation of more than 100 Arab bankers and businessmen.

Krupp Steel

Fried. Krupp Huettenwerke (FKH) told today's annual meeting that although the company's performance has improved, dividend payments will not be resumed in 1978, AP-DJ reports from Bochum. Since March, FKH has lifted itself from the red but the earnings position of the company is still only break-even or perhaps slightly in the black.

From Vancouver, Reuter adds that the parent company Fried. Krupp GmbH Industries is to buy the 50 per cent interest of its partner Great West Steel Industries in the joint venture CWS Krupp Industries of Alberta.

Preussag sets target

The West German metals group Preussag is striving to break even this year after declaring neither profit nor loss for 1977, according to the managing board chairman, Guenther Sassmannhausen. He told the annual meeting that the company's results will have to improve by at least DM 55m this year if the goal is to be reached, Reuter reports from Hanover. Preussag's performance in the first five months of this year shows that the improvement has begun in some sectors, but the final result will depend on the development of metal prices, he added.

Global Bank progress

GLOBAL BANK AG, in which International Westminster Bank of the UK purchased a 74.2 per cent interest in October 1977, reports a 12.4 per cent growth in total assets during 1977. At 31 December 1977, the balance sheet total was DM 657m and the bank had capital and reserves of DM 44m. The bank, in reporting an improved profit of DM 1.7m ($821,000) in 1977, expressed satisfaction with progress during the first five months of 1978. Last year the bank earned DM 700,000.

MEDIUM TERM CREDITS

Mandate for $500m Mexican loan

BY MARY CAMPBELL, EUROMARKETS EDITOR

A MANDATE for the next major Mexican loan is expected to be formally awarded within the next few days. The loan will be $500m for the Banco Nacional de Credito Rural. The maturity will be five years and the margin payable over inter-bank rates one percentage point.

It is understood that five banks will be mandated equally to arrange the loan. They are Bankers Trust International (agent), Libra Bank (running the books), Lloyds Bank International, London and Continental Bankers, and Royal Bank of Canada.

The Kingdom of Morocco is expected to award a mandate soon for a loan of some $300m. It is understood that Morocco now only has one major offer on the table to consider, the other group of banks potentially bidding for the mandate having withdrawn. The offer still pending is thought to be $300m from a group of five banks—Bank of America International, Amsterdam Rotterdam Bank, Bank of Montreal, Chase Manhattan Ltd. and the German DG-Bank.

A maturity of about eight years is expected. The margin payable is not yet known but is expected to be above the ⅞ per cent on the last major Moroccan loan. $100m for the state phosphate company arranged by Abu Dhabi Investment Company.

The next Iranian borrower, following today's signing of the National Gas Company's (NGC) $300m ten-year loan, will be the National Petrochemical Company. The margin payable over LIBOR will be ⅝ per cent for the first five years and ¾ per cent for the last five years, the same as on the NGC loan. Iran Overseas Investment Bank is lead manager.

The Union Cement Company of Ras al-Khaimah (one of the smaller of the United Arab Emirates) has arranged the equivalent of $68m worth of 6½ year loans. The financing consists of a $25m syndicated loan offering a margin of 2 per cent over LIBOR with an 11.7m Kuwaiti dinar loan paying 9½ per cent. The loan is not guaranteed by the Emirate government which is however the major shareholder in the Union Cement with 78 per cent. The Abu Dhabi government owns 6.6 per cent.

The loan is to be used to finance a third cement kiln to produce 500,000 tonnes of the sulphur resistant type 5 cement thus doubling the company's current production capacity.

This is the first major syndicated loan to be arranged by Industrial Bank of Kuwait, which is lead manager together with Kuwait Foreign Trading, Contracting and Investment Company. Industrial Bank of Kuwait does not intend to compete for management positions in the market generally — this deal follows a decision to expand its industrial lending business outside Kuwait to the Gulf as a whole.

The Brazilian State of Minas Gerais is raising $60m over 10 years at a margin of 1⅝ per cent. The loan, which is guaranteed by Brazil, is being arranged by Chemical Bank and placed among six banks only, each taking $10m.

This is a heavy week for loan signings. Apart from Iran's National Gas Company, the Bulgarian Foreign Trade Bank's $100m six-year loan, for which Lloyds Bank International w lead manager, has been signe as also yesterday was Con munauté Urbaine de Montreal $250m 10-year loan. Chase wa also lead manager for thi while Merrill Lynch White Wel Capital Markets group acted a financial adviser to the borrowe Part of the proceeds of the loa are to go towards prepaymen of a $200m loan arranged las July and the rest towards capit projects.

The Yugoslav company FEN is to raise $50m for an iron an nickel project in Macedonia. Th loan offers a margin of 1⅝ pe cent over seven years and arise from time and cost overruns o the project. The original cost o the project was some $187m an although mainly funded throug export credits, a medium-ter Eurocurrency loan was arrange for it in 1975. The increased co is now scheduled at $30-40m; an the remainder of the new loa will go towards refinancing part of the older loan which are no becoming due for repaymen The managers of this new credi are Bankers Trust Internationa Chase Manhattan and Citicorp

Turkey and Norway in debt agreement

BY METIN MUNIR

ANKARA, June 28.

TURKEY and Norway today signed a debt rescheduling agreement here under which NKr 20m of past due Turkish debts to Norwegian suppliers, guaranteed by the Oslo Government, will be restructured.

The amount involved in the agreement, signed between the visiting Finance Minister, Mr. Per Kleppe, and his host, Mr. Ziya Muezzinoglu, is comparatively small, constituting a minute portion of Turkey's past due debts to suppliers of developed OECD countries.

However, it is of significance in that it is the first agreement Turkey has signed with its creditors under the framework of the umbrella restructuring agreement concluded between Turkey and the OECD in Paris last month. Each creditor state will sign a separate agreement with Turkey.

The total of Turkish debts for Government - guaranteed OECD supplies is $1.4bn.

Under the agreement with Norway, the NKr 20m, will be paid over seven years, including a two to three year grace period, with an interest rate of 5.5 per cent. The interest rate was fixed in private talks between the two ministers.

The choice of Norway as the signatory of the first agreement was not coincidental. Norway is sympathetic to the new left-of-centre government of Prime Minister Bulent Ecevit.

"We support the social and democratic development effort which Mr. Bulent Ecevit has undertaken, and hope that other European states will also furnish support," Mr. Kleppe said.

Mr. Muezzinoglu said: "What is important is not volume but the terms of the agreement. The terms are favourable, but they can always be improved upon."

Next month, he said, similar agreements would be signed with West Germany, Turkey's biggest trading partner, Austria, Belgium, Italy and the U.S., which are also major trading partners.

Mr. Kleppe and Mr. Muezzinoglu also exchanged letters about NKr 300m of Norwegian project credits to Turkey. Of this amount, NKr 200m will be supplied by Norway's Eksportfinans for public sector projects including three power plants, radar equipment for the Dardanelles and the Bosphorus and the purchase of shipping equipment. The remainder will be placed with the Industrial Development Bank of Turkey for private sector projects.

Aside from these Norway was interested in the foreign financ ing of a public ferrosilisiu project and thesupply of dril ing equipment to the state owned Turkish Petroleum Com pany (TPAO). Agreement wa also reached on investments b Norwegians in the tourism field

Under a separate understand ing, which may turn out to b significant, Norway has agree to provide funds for projects an feasibility studies for three party industrial investments i Turkey (involving Turkey, Nor way and Arab states) oriente for exports to the Middle Eas and the Gulf.

Saudi Bank doubles capital

BY MICHAEL BLANDEN

SAUDI International Bank, the London-based international banking group in which the Saudi Arabian Monetary Agency holds a 50 per cent interest, has doubled its authorised capital to £50m.

The increase was announced in London yesterday by Sheikh Mohammed Abalkhail, the Saudi Minister of Finance and National Economy and chairman of the bank.

He said that the increase had been approved by the shareholders in order to support the bank's future expansion and to give it the opportunity to participate more actively in the major transactions of its expanding list of government and international corporate clients.

Saudi International was formed in August, 1975, with an authorised capital of £25m. Half of this was issued and fully paid on incorporation while the balance was paid up in May last year. The bank reported balance sheet total of £416m at the en of last year and is expected t show further growth in the half year figures due shortly.

Besides SAMA, the share holders in the bank are Nationa Commercial Bank, Jeddah, an Riyad Bank, Jeddah, each wit 2.5 per cent. Morgan Guarant of New York holds 20 per cent. while 5 per cent stakes are owned by Bank of Tokyo, Banque Nationale de Paris, Deutsche Bank, National Westminster and Union Bank of Switzerland.

SELECTED EURODOLLAR BOND PRICES
MID-DAY INDICATIONS

STRAIGHTS	Bid	Offer
Alcan Australia 8¾pc 1989	96½	97½
AMEV 8pc 1987	95	95½
Australia 8½pc 1992	92¾	93
Australian M. & S. 9½pc '92	96½	97½
Barclays Bank 8¾pc 1992	94½	95
Bowater 9½pc 1992	96½	97
Can. N. Railway 8½pc 1986	94	94½
Credit National 8¾pc 1986	95½	96
Denmark 8½pc 1984	97½	98¼
ECS 9pc 1993	98¾	99¼
ECS 8¾pc 1997	93¾	94¼
EIB 8¾pc 1992	97	97½
EMI 9½pc 1989	97½	98¼
Ericsson 8¾pc 1989	95½	96
Esso 8pc 1986 Nov.	99½	100
Gt. Lakes Paper 8½pc 1984	96½	97½
Hamersley 9½pc 1992	99½	100½
Hydro Quebec 9pc 1992	94½	95
ICI 8½pc 1987	95½	96½
ISE Canada 9½pc 1986	102½	103½
Macmillan Bloedel 9pc 1992	93¾	94½
Massey Ferguson 9½pc '91	98	99
Michelin 9½pc 1988	100	100½
Midland Int. Fin. 8½pc '92	94	94½
National Coal Bd. 8pc 1987	92½	93½
National Wstmnstr. 9pc '86	99½	100
Natl. Wstmnstr. 9pc '86 'B'	99½	100½
Newfoundland 9pc 1989	98½	99
Nordic Inv. Bank 8½pc 1988	96½	97
Norges Kom. Bk. 8½pc 1992	95	95½
Norpipe 8½pc 1989	94½	95½
Norsk Hydro 8½pc 1992	94½	95½
Oslo 9pc 1988	98½	99½
Ports Autonomes 9pc 1991	97½	98
Prov. Quebec 9pc 1993	93½	94
Prov. Saskatchwn. 8½pc '86	97½	98½
Reed International 9pc 1987	92	94
RHM 9pc 1992	92½	93½
Selection Trust 8½pc 1989	90	91
Shell Intl. Fin. 8½pc 1990	94½	95½
Skand. Enskilda 9pc 1991	97	97½
SKF 8pc 1987	91½	92½
Swedish (K'dom) 8½pc 1987	93½	94½
United Biscuits 9pc 1989	97	97½
Volvo 8pc 1987 March	92½	93½

NOTES	Bid	Offer
Australia 7½pc 1984	93½	94
Bell Canada 7¾pc 1987	95½	96
Br. Columbia Hyd. 7¾pc '85	91½	92½
Can. Pac 8½pc 1984	96½	97½
Dow Chemical 8pc 1986	98½	99
ECS 7¾pc 1982	94½	95½
ECS 8½pc 1989	93½	94½
EEC 7½pc 1982	95	95½
EEC 7½pc 1984	94	94½
Enso Gutzeit 8½pc 1984	96	96½
Gotaverken 7¾pc 1982	95½	96½
Kockums 8pc 1983	96½	97½
Michelin 8½pc 1983	98½	99½
Montreal Urban 8½pc 1981	98½	99
New Brunswick 8pc 1984	96	96½
New Bruns. Prov. 8½pc '83	98½	99½
New Zealand 8½pc 1986	95½	96
Nordic Inv. Bk. 7½pc 1984	94	94½
Norsk Hydro 7½pc 1982	95½	96
Norway 7½pc 1982	94½	95
Ontario Hydro 8pc 1987	93	93½
Singer 8½pc 1982	99½	100½
S. of Scot. Elec. 8½pc 1981	97½	98½
Sweden (K'dom) 7¾pc 1982	94½	95½
Swedish State Co. 7½pc '82	95½	96
Telmex 9½pc 1984	98½	99½
Tenneco 7¾pc 1987 May	91½	92½
Volkswagen 7½pc 1987	93	93½

STERLING BONDS	Bid	Offer
Allied Breweries 10½pc '90	87½	88½
Citicorp 10pc 1993	90½	91½
Courtaulds 9½pc 1989	88½	89½
ECS 9½pc 1989	94	95
EIB 9½pc 1988	94½	95½
EIB 9½pc 1992	91	92½
Finance for Ind. 9½pc 1987	89½	90½
Finance for Ind. 10pc 1989	91½	92½
Fisons 10½pc 1987	95	96
Gestetner 11pc 1988	90½	91½
INA 10pc 1988	90½	91½
Rowntree 10½pc 1988	87½	88½
Sears 10½pc 1988	89	90
Total Oil 9½pc 1984	89	90

DM BONDS	Bid	Offer
Asian Dev. Bank 5½pc 1988	96	96½
BNDE 6½pc 1986	96½	97½
Canada 4½pc 1983	97½	98¼
Den Norske Id. Bk. 6pc '90	99½	100
Deutsche Bank 4½pc 1983	97½	98½
ECS 5½pc 1990	94½	95
EIB 5½pc 1990	94½	95
Elf Aquitaine 5½pc 1988	94½	95
Euratom 5½pc 1987	97½	98½
Finland 5½pc 1986	97½	98
Forsmarks 5½pc 1990	97½	98
Mexico 6pc 1985	96	96½
Norcem 5½pc 1989	99½	100½
Norway 4½pc 1983	99	99½
Norway 4½pc 1983	97	97½
PK Banken 5½pc 1988	96	96½
Prov. Quebec 6pc 1990	97	97½
Rautaruukki 5½pc 1988	95	95½
Spain 6pc 1988	95½	96
Trondheim 5½pc 1988	96	96½
TVO Power Co. 6pc 1988	96½	97½
Venezuela 6pc 1988	95½	97½
World Bank 5½pc 1990	97½	98½

FLOATING RATE NOTES	Bid	Offer
Bank of Tokyo 1984 8½pc	99½	100
BFCE 1984 8½pc	99½	99¾
BNP 1983 9 1/16pc	100½	100¾
BQE Worms 1985 9pc	98½	99
CCF 1985 8½pc	99	99½
CGMF 1984 8 11/16pc	99½	99¾
Creditanstalt 1984 8½pc	99	99½
DG Bank 1982 9pc	100	100½
GZB 1981 8 1/16pc	99¾	100¼
Intl. Westminster 1984 8pc	99½	99¾
Lloyds 1983 8 13/16pc	100½	100¾
LTCB 1983 8pc	99½	100
Midland 1987 8 9/16pc	99½	99¾
Nat. Westminster '90 9 5/16pc	99½	100
OKB 1983 7½pc	99½	100½
SNCF 1985 8½pc	99½	99¾
Stand. and Chtrd. '84 8¾pc	99½	99¾
Wms. and Glyn's '84 9 1/16pc	99½	100½

Source: White Weld Securities.

CONVERTIBLES	Bid	Offer
American Express 4¼pc '87	82½	84
Ashland 5pc 1988	92½	94
Babcock & Wilcox 6½pc '97	103	104
Beatrice Foods 4½pc 1992	96½	98
Beatrice Foods 4⅞pc 1992	107	108½
Beecham 6½pc 1992	93½	96½
Borden 5pc 1992	99	100½
Broadway Hale 4½pc 1987	75½	77
Carnation 4pc 1987	78	79½
Chevron 5pc 1988	124½	126½
Dart 4½pc 1987	78½	80
Eastman Kodak 4½pc 1988	82	84½
Economic Labs. 4½pc 1987	77½	79
Firestone 5pc 1988	80½	82
Ford 5pc 1988	85½	87
General Electric 4½pc 1987	79½	81
Gillette 4½pc 1987	75	76½
Gould 5pc 1987	114½	116
Gulf and Western 5pc 1988	85½	87
Harris 5pc 1992	174½	176½
Honeywell 6pc 1986	84½	86
ICI 6½pc 1992	88	89
INA 6pc 1997	95½	97
Inchcape 6¾pc 1992	110	111
ITT 4½pc 1987	77½	79
Jusco 6pc 1992	114½	115½
Komatsu 7½pc 1990	139	140½
J. Ray McDermott 4¾pc '87	151½	153
Matsushita 6½pc 1990	176	177½
Mitsui 7½pc 1990	125½	126½
J. P. Morgan 4½pc 1987	95	96½
Nabisco 5½pc 1988	103½	105
Owens Illinois 4½pc 1987	105	106½
J. C. Penney 4½pc 1987	76	77½
Revlon 4½pc 1987	120½	122
Reynolds Metals 5pc 1988	81½	83
Sandvik 6½pc 1988	108½	110
Sperry Rand 4½pc 1987	91½	93
Squibb 4½pc 1987	80	81½
Texaco 4½pc 1988	78	79½
Toshiba 6½pc 1992	122	124
Ty Co. 5pc 1984	78	79
Ty Co. 9½pc 1988	99½	100½
Union Carbide 4½pc 1982	104	105½
Warner Lambert 4½pc 1987	81	82½
Warner Lambert 4½pc 1988	78½	79
Xerox 5pc 1988	77	78½

Source: Kidder, Peabody Securities.

INTERNATIONAL FINANCIAL AND COMPANY NEWS

ICI plans Australian petrochemical complex

BY JAMES FORTH

SYDNEY, June 28.

ICI AUSTRALIA, the local offshoot of the UK chemicals group, is planning to build a A$500m (US$575m) petrochemical complex at Point Wilson, near the Victorian city of Geelong, south of the Victorian capital, Melbourne.

Under the proposals, Point Wilson *could emerge* by 1985 as the third major petrochemical complex in Australia. ICI already has a similar complex at the Sydney suburb of Botany, while the other, and more extensive complex is in the Melbourne suburb of Altona. A number of *groups are involved in the* Altona complex.

ICI's plans came to light in a submission to the Geelong regional planning authority. Early proposals envisage production of chemicals for plastics manufacture as well as chlorine for caustic soda production.

The ICI proposals will intensify the jockeying by several large groups, including ICI, to build a A$400m to A$500m ethylene cracker to supply the local market. Apart from ICI, Altona *Petrochemicals—owned jointly* by Exxon and Mobil Oil of the U.S.—the Shell group and Dow Chemicals have been considering a major cracker, with a capacity of *about 200,000 tonnes to* 300,000 tonnes a year. The current local consumption is about 250,000 tonnes but is expected to reach 500,000 tonnes by the early 1980s, which means there is room for only one new cracker for some years ahead.

ICI has been looking at either Botany or Point Wilson as possibilities. At present the group makes ethylene at Botany, from imported naptha, and also obtains some ethylene from Shell.

Altona Petrochemical makes ethylene from ethane feedstock, *obtained from the nearby Bass* Strait oil and gas fields.

Dow Chemicals has been working on producing ethylene and caustic soda at Redcliff in South Australia, using liquids from the Cooper Basin natural gas fields, which supply Sydney and *Adelaide with gas. The South* Australian Government is pressing strongly for Redcliffe because of the possibility that the liquids may otherwise be wasted. At present, Sydney and Adelaide are supplied from dry wells in the Cooper Basin, but the "wet" *fields will need to be tapped* within the next two years. If a use is not found for the liquids *they will simply be piped with* the gas and not utilised.

ANM decides on newsprint mill

BY OUR OWN CORRESPONDENT

SYDNEY, June 28.

THE DIRECTORS of Australian *Newsprint Mills (ANM) are to* proceed with plans for a A$155m newsprint mill at the country town of Albury, New South Wales, subject to satisfactory completion of financing arrangements. The go-ahead is also subject to formal agreements with the appropriate authorities in NSW and Victoria for access to the forests and provision of essential services. This is expected to be only a formality, as the *state governments have been* keen for ANM to proceed with the project which will provide *employment for 800 people. The* mill is expected to be completed early in 1981.

The new mill will have a capacity of about 180,000 tonnes of newsprint a year, which will almost double output, from the present level of 200,000 tonnes per annum.

It will reduce Australia's dependence on newsprint imports, which total more than 200,000 tonnes a year, mainly from New Zealand and Canada.

The Albury mill is expected to have a significant freight advantage over newsprint *supplies shipped from New Zealand* and elsewhere. The mill is expected to result in foreign exchange *savings of at least A$70m a* year when it is in full production.

Detailed design of the plant is already under way, and major equipment selection has reached an advanced stage. ANM has appointed Simons International, of Vancouver, as the principal consultants, and has also appointed Crooks, Mitchell, Peacock and Stewart, of Australia, to provide certain services and design work.

Australian double tax move clarified

CANBERRA, June 28.

FOREIGN subsidiaries of Australian companies will be taxed by Australia only if they pay a *dividend to their parent,* under a new tax system, the Treasurer, Mr. John Howard, said.

Explaining the controversial proposal to tax some earnings of foreign-based Australian firms and individuals, Mr. *Howard said* that until dividends are declared there will be no liability for Australian company tax.

When the dividends become taxable in Australia, as part of the parent's earnings, credit will be given not only for foreign withholding tax *on* the dividend, but also for foreign company tax on the subsidiary's profit.

Mr. Howard *said that an overseas* company with an Australian stake of 10 per cent or more will be regarded as a subsidiary of the Australian company concerned.

Turning to the concern expressed about the liability of *Australian compaines with subsidiaries* in countries providing tax incentves, Mr. Howard said that *tax sparing arrangements* to account for such incentives can be worked out in the context of a comprehensive double tax agreement.

Tax sparing means that Australia, for instance would give credit for tax given up by the host counrty under incentive schemes as well as any tax actually paid.

Australia, he said, had allowed some measure of tax sparing in its double taxation treaty with Singapore, the only Association of South East Asian Nations (ASEAN) member with which Australia has such a treaty.

The new system, which becomes effective next month, will provide some offset to the unintended bias in the old system against investment in Australia and will reduce tax avoidance, he added.

Australian delegates at the Australia-Philippines business co-operation committee's meeting *which ended here yesterday said* that they were concerned at the implications of the system and conflicting statements by ministers about its effect on Australian investment overseas.

Reuter

LTA lifts pre-tax earnings by 37%

By Richard Rolfe

JOHANNESBURG, June 28.

LTA, THE construction group *in which Anglo American and* its associates are the chief shareholders, has reported a sharp rise in pre-tax profits for the year to March 31 *despite the background of a* generally depressed civil engineering and construction sector.

At the pre-tax level, the profit is up from R8m to R10.9m ($12.5m), in part due to the maturing of profits on *old contracts, for a rise of no* less than 37 per cent.

Taxation absorbed only R3.9m, up from R1.7m the previous year, but amounting *to only 27 per cent of pre-tax* profits. The main explanation seems to be that assessed losses have been offset against profits, but investment allowances and the incidence of tax-free foreign income have also influenced the tax charge. Net attributable profits have been depressed by goodwill write-offs totalling R1.5m on past acquisitions, but these charges are virtually at an end now.

Earnings are up from 41 *cents to 46 cents a share, or* from 47 cents to 58 cents if goodwill and non-recurring items for the past two years are ignored. The dividend has been raised from 18.5 cents to 19 cents and the shares, at 195 cents now yield 9.7 per cent.

Work on hand totalled R300m as at June 26, up from R260m the previous year, which suggests the group has competed effectively for the business available. Major projects on hand include *60* per cent of the Drakensberg underground power station, a R60m project, a stake in the civil engineering for the Koeberg power station, and work for expanding gold and uranium mines.

Kowloon Bus raises payout

HONG KONG, June 28.

DESPITE LOWER earnings in the year ended last February, *the Kowloon Motor Bus Company* (1933) is stepping up its dividend and making a one-for-eight scrip issue.

Shareholders are to get a final payment of 20 cents, making 30 cents a share, compared with 18 cents making 28 cents for the previous year.

Net profit amounted to HK$42.03m (U.S.$9m), against HK$44.56m previously.

Reuter

SOUTH AFRICAN SUGAR COMPANIES

Bleak prospect after record year

BY RICHARD ROLFE IN JOHANNESBURG

SOUTH AFRICA's big three sugar producers, C. G. Smith Sugar, Huletts Corporation and Tongaat, all achieved record profits from their sugar interests in their financial years just ended on March 31. They produced respectively 37 per cent, 35 per cent and 10 per cent of last season's 2.08m ton sugar crop, itself *a new record.* C. G. Smith Sugar, having acquired Illovo Sugar Estates, surpassed Huletts for the first time, to become the Republic's largest sugar combine.

But in sharp contrast with last year's results, prospects for the 1978-79 season, to next February-March, are extremely poor. *The fault lies not in the crop.* This, according to C. G. Smith's sugar review, could be up to 2.16m tons. But it will be restricted, by agreement within the industry, to 2m tons. A combination of inadequate domestic and exports prices has led company chairman *not* usually given to overstatement to describe the shortterm outlook as "bleak" and "*serious,*" *in their recent* reviews, while the Tongaat Board has said that "the industry has *good reason to face the 1978-79* year with apprehension."

The vital statistics behind the 1977-78 season, and the record profits of the big three producers, were that the industry's financial requirement—all working costs plus the fixed return on capital allowed by the Government—amounted to R440m, while R418m accrued to the *industry* from sales of sugar and molasses in both export and domestic markets.

Export sales were 1m tons, *or 48 per cent of the total,* and brought in just under R187m ($215m) lower than the previous season when exports were 100,000 tons higher. But the *interesting point* is that even in last season's relatively *favourable* conditions, the industry did not earn enough to cover its costs and the deficit of R21m had to be met by withdrawals from the price stabilisation fund.

This fund, built up by surplus export proceeds during the *1970s,* reached a peak of nearly R100m in 1974-75, but after subsequent withdrawals, *including last season's,* is now under R10m. It will not go far to cover the expected shortfall of revenue on costs in the *current* season.

Compared with the 1m tons of exports in the 1977-78 season, the South African producers' quota was fixed at 835,000 tons *for* 1978-79 under the International Sugar Agreement (ISA) in January, and has since been further reduced to *680,500 tons,* though for the current calendar *year*—because of the continuing world sugar surplus—total exports for the 1978-79 season should *be about 790,000 tons.*

The industry recently reported that 37 per cent of this quota had been sold forward at £113 per ton, compared with current prices around £100. Allowing for the forward sales, *if* the rest of the export quota is sold at current prices, total export revenue this season will be down to about R140m.

One obvious remedy for the industry's finances is a big increase in the domestic sugar price, now R246 per ton, but expected to rise by 8 per cent shortly. The problem here, however, *is* that for many years the public has been used to cheap domestic sugar, subsidised by *high export prices, and it takes* time to change attitudes. Over the 10 years to 1977, the domestic price of sugar remained highly stable (in 1972 and 1974 it was reduced).

Last year it was increased by R60 per ton to the present price, but total sugar sales dropped by 8.4 per cent. While this partly reflected stagnant economic conditions, and particular problems in the canning industry, consumer resistance to the higher price was strong enough a factor to make it likely that another large price rise would depress offtake still further.

An additional burden will be created by the need to finance the stockpile which will result from 1978-79 sales and output estimates. Facilities of up to $85m have been arranged. While the International Sugar Organisation will contribute towards 140,000 tons of the stockpile, the rest will be for the industry's own account.

The conclusion which has been generally drawn from all these factors is that unless export prices improve, the sugar group's profits will go into reverse this season. Shares in Huletts and C. G. Smith Sugar have fallen back, against the market trend. Tongaat, which recently acquired control of Primrose Industrial to become the Republic's biggest brick producer, is the most diversified of the three, and its shares have so far *emerged* unscathed. Its dividend should also be maintained, while most analysts *expect reduced payments from* Huletts and C. G. Smith Sugar.

> **Although South Africa's big three sugar producers—C. G. Smith Sugar, Huletts and Tongaat—made record profits from their sugar interests in 1977-78, the prospects for the *current* year are extremely poor. A combination of inadequate domestic and *export prices* has led company chairmen not unusually given to overstatement to describe the outlook as "serious" and "bleak," while Tongaat has said that "the industry has good reason to face the 1978-79 year with apprehension."**

Texmaco stages strong advance

BY R. C. MURTHY

BOMBAY, June 28.

TEXMACO, an engineering company belonging to the Birla Group, has improved its profits for 1977 despite a drop in production. Pre-tax profits at Rs 30.1m *($3.6m) registered* a 20 per cent increase. Output of Rs 305.9m ($36.4m) was marginally lower *than the Rs 312m in 1976.*

The sharp upturn in profits occurred in a year when the engineering industry was hit by a fall in demand. There was a cut-back in orders by the Indian Government for railway rolling stock because of a reduced allocation under the development plan. The textile industry did not place any orders for *machinery. The progress made* in extending assistance by financial institutions to the needy textile mills for modernisation was slow. Although the underlying terms of the loans were attractive, guarantees and margin money asked were considered stiff.

Texmaco depended on the international market for full utilisation of capacity. In 1976, it exported a record amount of more than Rs 100m worth of machinery. After this, exports in *1977 were marked,* according to the directors' report, by a "temporary lull which is not uncommon *in case of capital goods* export." The company has export orders valued at Rs 76.4m in hand. *It has* secured an *export order* worth Rs 12.10m for textile machinery from Tanzania. It has also been awarded a contract for 66 hopper wagons from the Bangladesh Railway against international competition. Earlier, Texmaco supplied 500 *wagons to that country.*

The company, once mainly a producer of textile machinery, *has diversified its activities. It* now manufactures sugar mill machinery, railway rolling stock, heavy steel castings, structurals, boilers and pressure vessels. Last year, it wanted to take up production of road rollers and coal mining equipment. The Janata Government has chosen to revoke the industrial licence issued earlier to the company for making road rollers although the proposal is based on its own technology and designs. Mr. K. K. Birla, Texmaco's chairman, *was a supporter of the Congress* Government during emergency, and this is one of the reasons *attributed for the not-so-*favourable reaction to the proposals of the company for diversification—which, say the directors, "holds the key to its continuing progress."

The company has also approached the Government for permission to produce coal handling plants. As in the case of road rollers, the Government *seems not to be favourably* disposed to the proposal.

Growth slows at Yamaha Motor

By Our Financial Staff

YAMAHA MOTOR, the Japanese motorcycle manufacturer, raised its after-tax profits by 15.5 per cent to Y3.94bn ($19.1m) in the year to April 30. But the dividend is unchanged at Y10.

The increase was appreciably less sharp than that in the previous year, when there was a *gain of 53 per cent.*

Sales rose at about the same pace as in the previous year, by 31.7 per cent to Y290.34bn ($1.4bn), from Y220.48bn.

The company faced a particular problem during the year from the rise in the value of the yen in the foreign exchange market, in view of its relatively high exports ratio—which was maintained at about 68 per cent.

Oil India takeover talks

BY K. K. SHARMA

NEW DELHI, June 28.

THE INDIAN Government hopes to complete by September the takeover of Burmah Oil's 50 per cent share of Oil India, the exploration company in which both have an equal share. Recent talks between representatives of the two have ended inconclusively.

The next, and what is hoped *will be the final, round of talks,* are expected to begin next month. The question of the compensation to be paid for Burmah's share of Oil India has been complicated by the Government having linked the takeover to that of Assam Oil.

Assam Oil is wholly owned by Burmah and runs a small refinery in Digboi which has *incurred liabilities to the Government* and Oil India of various kinds. The Government wants these to be offset against the compensation to be paid to Burmah for its share in Oil India and differences have arisen on how this is to be done.

With the takeover of Oil India, the entire oil industry will effectively be in the public sector. The only foreign interests will be the minority share of the National Iranian Oil Company in Madras Refineries and of Phillips Petroleum in Cochin Refineries.

Meanwhile, an Indian Oil Cor*poration team will leave for* Moscow early in July for talks on imports of crude and middle *distillates from Russian sources.* Russia has agreed to supply 2.5m tonnes of crude this year in exchange for Indian steel and other commodities, as well as 1m tonnes of kerosene and diesel.

The crude comes from Russian *purchases from Iraq,* and Indian Oil hopes to bring the entire amount in Indian tankers. It *also wants to increase purchases* of kerosene and diesel.

Singapore bank offer for sale

By H. F. Lee

SINGAPORE, June 28.

THE United Overseas Bank (UOB) is offering 5m shares in its subsidiary, United Overseas Finance, for sale to the public.

The shares, which constitute 25.7 *per cent of UOF's issued* capital of S$19.47m, are being offered at S$1.50 per share—a *50-cent premium on its par value.*

The purpose of the offer, UOB said, is "to provide the investing public with an opportunity to participate in the equity of the company and to enable the shares to be listed on the Stock Exchange of Singapore."

The UOF *flotation joins the* recent spate of new issues in the Singapore stock market. It is the fourth new issue in two months and comes at a time when the market is displaying tremendous buoyancy and an almost insatiable appetite for new issues.

The last three issues were all several times oversubscribed, the most remarkable being the Singapore Bus Service which on its first day of listing was traded up to as high as three times its offer price.

UOF is one of the largest finance companies in Singapore and at the end of 1977 has assets totalling S$131.55m, loans of S$94.87m, deposits of S$97.65m and shareholders' funds of S$28.22m. Net tangible asset per share is S$1.45.

The company has been enjoying steady earnings growth and for the year ended December 1977, reported pre-tax profits of S$5.69m (U.S.$2.45m).

The company gave no forecast of its earnings for the current year but said that it expects to *continue to achieve* satisfactory growth in the future.

UOF anticipates that the gross dividend rate will be maintained at 10 per cent, same as the past two years.

VONTOBEL EUROBOND INDICES

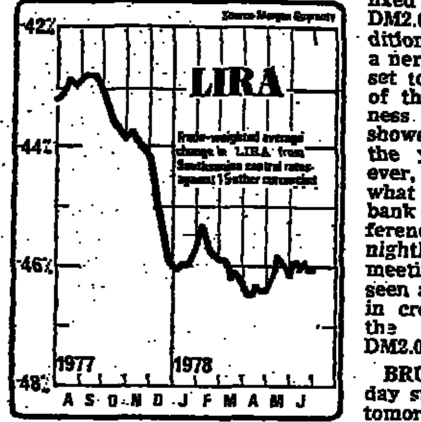
14.5.76=100%

PRICE INDEX	20.6.78	27.6.78	AVERAGE YIELD	20.6.78	27.6.78
DM Bonds	106.25	106.05	DM Bonds	6.521	6.549
HFL Bonds & Notes	105.01	105.01	HFL Bonds & Notes	7.428	7.432
U.S. $ Strt. Bonds	99.15	98.77	U.S. $ Strt. Bonds	8.846	8.920
Can.-Dollar Bonds	100.02	99.89	Can.-Dollar Bonds	9.284	9.314

Currency, Money and Gold Markets

Dollar recovers from weak start

The U.S. dollar came under pressure initially in yesterday's foreign exchange. This was mainly due to renewed strengthening of the Japanese yen which met with fairly strong demand following its rise in the Far East. The yen touched Y204.60 at one point but there did seem to some official support for the dollar which lifted the rate, and in the absence of any sustained pressure, the dollar recovered to finish on or around its best levels of the day. The West German mark slipped to DM 2.0745 from DM 2.0805 on Tuesday while the Swiss franc also eased in dollar terms to SwFr 1.8605 against SwFr 1.8675.



One of the more notable exceptions proved to be the French franc which improved to FFr 4.5325 from FFr 4.5587, helped no doubt, by news that France may once again join the European "snake."

Sterling remained quietly firm in generally thin trading. After opening at $1.8530-1.8540 it improved during the day to close 70 points higher at $1.8540-1.8550. Against other major currencies, the pound rose marginally and its trade weighted index, which is calculated by the Bank of England, rose to 61.4 from 61.3. On a Morgan Guaranty basis, using noon rates in New York, sterling's trade weighted average depreciation narrowed to 41.6 per cent from 41.7 per cent. On a similar basis, the dollar's depreciation widened to 7.0 per cent from 6.8 per cent.

PARIS—The French franc improved against most major currencies in fairly active trading. This was prompted by reports that agreement had been reached between French and West German authorities on the possibility of the French franc rejoining the European "snake." The franc opted out of the European currency agreement in early March, 1976. At the close, the dollar had slipped to FFr 4.5285 from FFr 4.5465 in the morning and FFr 4.5580 on Tuesday. Sterling slipped to FFr 8.3960 from FFr 8.4150 while the West German mark eased from FFr 2.1840 to FFr 2.1900. A re-entry of the franc would be seen as a step towards the creation of a European monetary stability zone.

FRANKFURT—The dollar was fixed at DM2.0714 compared with DM2.0801 at Tuesday's fixing. Conditions were fairly quiet and after a nervous start, the dollar seemed set to remain steady for the rest of the day. Despite dollar weakness in Tokyo, the U.S. currency showed little movement against the yen. In later trading however, the dollar improved somewhat after news that the Bundesbank would hold a press conference today, following the fortnightly Central Bank Council meeting. This has sometimes been seen as a sign of possible changes in credit policy. Near the close, the dollar had improved to DM2.0732.

BRUSSELS—Fears that a two-day strike planned for today and tomorrow affecting the Belgian Central Bank and other financial institutions prompted a decline in the Belgian franc. The West German mark improved to BFr 15.7265 at the fixing, compared with BFr 15.685 previously while the French franc also strengthened to BFr 7.188 against Tuesday's fixing at BFr 7.1525.

TOKYO—In heavy and nervous trading, the dollar closed at Y205.325, down from Y206.275 on Tuesday. During the morning it hit an all-time low of Y203.80 but recovered slightly on profit taking. It seemed probable that the Central Bank had intervened in the market to support the dollar but not on a particularly large scale. The U.S. currency was not helped by the U.S. Senate voting to prevent President Carter from implementing import fees on oil.

Market sentiment indicates a further appreciation of the yen unless measures are taken to rectify the U.S./Japanese trade imbalance, which still remains large. Volume in spot trading was heavy at $650m and about $778m in combined forward and swap dealings.

THE POUND SPOT / FORWARD AGAINST £

June 28	Bank rate %	Day's Spread	Close	One month	% p.a.	Three months	% p.a.
U.S. $	7	1.8520-1.8565	1.8540-1.8550	0.52-0.42c pm	3.04	1.37-1.27c pm	2.88
Canadian $	8½	2.0855-2.0870	2.0840-2.0850	0.60-0.50c pm	3.16	1.75-1.65c pm	3.26
Guilder	4	4.11½-4.15	4.13¾-4.14¾	2⅝-1⅝c pm	6.15	7½-6½ c pm	6.76
Belgian Fr.	6½	60.20-60.55	60.45-60.55	35-25 c pm	4.96	95-85 c pm	5.95
Danish Kr.	9	10.40-10.45	10.43½-10.44½	2½-4½ore dis	−4.02	7½-9½ ore dis	−3.26
D-Mark	3	3.85½-3.86	3.84¾-3.85¾	2⅞-1⅞ pf pm	7.40	8⅜-7⅜ pf pm	8.18
Port. Esc.	18	84.40-85.23	84.80-85.10	35-155 c. dis	−12.02	125-475 c. dis	−14.14
Span. Pes.	8	146.60-146.15	146.00-146.70	par-100 c. dis	−4.11	50-175 c. dis	−3.08
Lira	11½	1,585-1,594	1,585-1,586	par-2 lire dis	−0.76	1-4 lire dis	−0.63
Nrwgn. Kr.	7	9.98½-10.02½	10.01-10.02	par-2 ore dis	−1.20	1-3 ore dis	−0.80
French Fr.	9½	8.39-8.43	*8.40-8.41	1½-½ c. pm	1.07	4½-3½ c. pm	1.78
Swedish Kr.	7	8.47-8.50½	8.49½-8.50½	½ore pm-½dis	0.71	3½-1½ ore pm	1.08
Yen	3½	376-385	381-383	2.70-2.45y pm	8.39	7.65-7.45y pm	8.01
Austria Sch	4½	27.65-27.80	27.70-27.80	17-7 gro pm	5.19	42-32 gro pm	5.33
Swiss Fr.	1	3.44-3.46	3.44½-3.45½	3⅛-2⅛ c pm	8.12	8⅝-7⅝ c pm	9.41

Belgian rate is for convertible francs. Financial francs 61.00-61.20.

* Paris close for June 27 should have read 8.41¼-8.42¼.

Six-month forward dollar 2.70-2.60c pm, 12-month 5.10-5.00c pm.

THE DOLLAR-SPOT / FORWARD AGAINST $

June 28	Day's spread	Close	One month	% p.a.	Three months	% p.a.
Canad'n $*	88.86-88.93	88.90-88.93	0.01c dis-0.01c pm	par	0.06-0.08c pm	0.31
Guilder	2.2250-2.2300	2.2290-2.2300	0.67-0.62c pm	3.36	2.22-2.17c pm	3.90
Belgian Fr	32.53-32.59	32.57-32.59	8-7c pm	2.53	26-24½c pm	3.11
Danish Kr	5.6183-5.6320	5.6230-5.6250	—		—	
D-Mark	2.0710-2.0740	2.0710-2.0720	0.77-0.72pf pm	4.17	2.73-2.68pf pm	5.16
Port. Es	—	45.63-45.73	—		—	
Lira	854.90-855.80	854.90-855.10	2.50-2.80lire dis	−3.53	7.35-8.10lire dis	−3.48
Nrwgn. Kr	5.3890-5.3985	5.3965-5.3985	—		—	
French Fr	4.5330-4.5460	4.5380-4.5395	0.65-0.75c dis	−1.71	1.25-1.40c dis	−1.15
Swedish Kr	4.5715-4.5785	4.5715-4.5735	—		—	
Yen	204.50-205.35	204.50-204.70	0.90-0.80y pm	4.81	2.75-2.60y pm	5.15
Austria Sch	—	14.9175-14.9225	—		—	
Swiss Fr	1.8574-1.8605	1.8574-1.8582	1.05-1.00c pm	6.40	3.27-3.21c pm	6.89

* U.S. cents per Canadian $.

CURRENCY RATES

June 28	Special Drawing Rights	European Unit of Account
Sterling	0.668450	0.670126
U.S. dollar	1.23879	1.24285
Canadian dollar	1.39332	1.39870
Austrian schilling	18.5013	18.5474
Belgian franc	40.3567	40.4890
Danish krone	6.97563	6.99726
Deutsche Mark	2.56603	2.57568
Guilder	2.76002	2.76774
French franc	5.60986	5.63022
Lira	1059.10	1062.47
Yen	254.324	254.264
Norwegian krone	6.66823	6.71181
Peseta	97.5708	97.8113
Swedish krona	5.66833	5.68546
Swiss franc	2.30541	2.31108

CURRENCY MOVEMENTS

June 28	Bank of England Index	Morgan Guaranty changes %
Sterling	61.41	−41.6
U.S. dollar	87.40	− 7.0
Canadian dollar	84.94	−12.9
Austrian schilling	139.93	+19.0
Belgian franc	110.37	+12.1
Danish krone	114.86	+ 5.8
Deutsche Mark	140.63	+35.6
Swiss franc	183.06	+76.7
Guilder	120.45	+18.2
French franc	99.07	− 4.2
Lira	56.37	−46.1
Yen	144.40	+42.7

Based on trade weighted changes from Washington agreement December, 1971 (Bank of England Index=100).

OTHER MARKETS

	£	$		£ Note Rate
Argentina Peso	1,466-1,470	790.50-792.67	Austria	27½-28.0
Australia Dollar	1.6064-1.6224	0.8689-0.8765	Belgium	60-61½
Finland Markka	7.88-7.90	4.2560-4.2580	Denmark	10.30-10.45
Brazil Cruzeiro	32.85-33.85	17.70-18.25	France	8.35-8.50
Greece Drachma	67.516-69.184	36.40-37.30	Germany	3.80-3.90
Hong Kong Dollar	8.60¾-8.63¾	4.6500-4.6520	Italy	1560-1590
Iran Rial	126-132	67.94-71.18	Japan	380-390
Kuwait Dinar (KD)	0.502-0.512	0.2707-0.2760	Netherlands	4.05-4.15
Luxembourg Franc	60.45-60.55	32.60-32.62	Norway	9.85-10.00
Malaysia Dollar	4.37½-4.39½	2.3630-2.3645	Portugal	80-84
New Zealand Dollar	1.7944-1.8123	0.9695-0.9780	Spain	1.43-1.46
Saudi Arabia Riyal	6.33-6.43	3.42-3.47	Switzerland	3.40-3.50
Singapore Dollar	4.29-4.31	2.3185-2.3195	United States	1.84-1.86
South African Rand	1.6003-1.6171	0.8630-0.8720	Yugoslavia	34-36

Rate given for Argentina is free rate.

EXCHANGE CROSS-RATES

June 28	Pound Sterling	U.S. Dollar	Deutsche Mark	Japanese Yen	French Franc	Swiss Franc	Dutch Guilder	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1.	1.855	3.850	382.0	8.405	3.453	4.140	1566.	2.085	60.50
U.S. Dollar	0.539	1.	2.076	206.0	4.532	1.862	2.232	844.9	1.124	32.62
Deutsche Mark	0.260	0.482	1.	99.22	2.183	0.897	1.075	411.8	0.541	15.71
Japanese Yen 1,000	2.618	4.855	10.08	1000.	22.00	9.038	10.84	4151.	5.457	158.4
French Franc 10	1.190	2.206	4.581	454.5	10.	4.108	4.926	1866.	2.480	71.98
Swiss Franc	0.290	0.537	1.115	110.6	2.434	1.	1.199	453.2	0.604	17.52
Dutch Guilder	0.242	0.448	0.930	92.27	2.030	0.834	1.	383.0	0.504	14.61
Italian Lira 1,000	0.631	1.170	2.428	240.9	5.301	2.178	2.611	1000.	1.315	38.16
Canadian Dollar	0.480	0.890	1.847	183.3	4.032	1.656	1.986	760.6	1.	29.02
Belgian Franc 100	1.653	3.066	6.364	631.4	13.89	5.707	6.843	2621.	3.445	100.

EURO-CURRENCY INTEREST RATES*

June 28	Sterling	Canadian Dollar	U.S. Dollar	Dutch Guilder	Swiss Franc	W. German Mark	French Franc	Italian Lira	Asian $	Japanese Yen
†Short term	10¼-10½	7¼-8¼	7⅝-7⅞	3¾-4	4-4¼	2⅜-2⅝	7½-8	12-16	—	2¼-4⅜
7 days notice	10¼-10½	7¼-8¼	7⅞-8⅛	3¾-4	⅝-⅞	2⅜-2⅝	7½-8	11-12	7¾-8	1¾-3
Month	10¾-11¼	7⅝-8	7½-7¾	4-4¼	1⅛-1¼	3⅜-3½	9⅜-9⅝	11½-12½	7⅝-7¾	2⅝-2¾
Three months	11⅝-12	8⅛-8⅜	8½-8¾	4½-4¾	1⅜-1½	3⅜-3½	9½-9¾	11¾-12¼	8⅝-8¾	3¼-3⅝
Six months	12⅛-12½	8½-8⅞	8 13/16-9 1/16	5¼-5½	2-2⅛	3½-3⅝	10¼-10½	12½-13½	9 1/16-9 5/16	3⅝-4
One year	12¼-12⅝	8¾-9⅛	9⅛-9⅜	5½-5¾	2⅛-2¼	3 11/16-3 15/16	11⅛-11⅜	13½-14½	9¼-9½	4 1/16-4 5/16

The following nominal rates were quoted for London dollar certificates of deposit: One month 8.05-8.15 per cent; three months 8.30-8.40 per cent; six month 8.70-8.80 per cent; one year 8.95-9.05.

Long-term Eurodollar deposits: two years 9⅜-9⅝ per cent; three years 9 7/16-9 9/16 per cent; four years 9 9/16-9 11/16 per cent; five years 9 11/16-9 13/16 per cent. * Rates are nominal closing rates.

Short-term rates are call for sterling, U.S. dollars and Canadian dollars: two-days' notice for guilders and Swiss francs. Asian rates are closing rates in Singapore.

INTERNATIONAL MONEY MARKET

More pressure on U.S. rates

The U.S. Federal Reserve entered the New York market early yesterday to make overnight repurchasing orders, as Federal Funds traded at around the 7 15/16 per cent level writes Jurek Martin. This was probably intended as a steadying influence on interest rates, which have tended to move up quite sharply recently, leading to speculation that banks' prime lending rates will move to 9 per cent in the near future.

Treasury bill rates were generally firmer, with 13-week bills at 6.96 per cent, against 6.94 per cent early Tuesday, while 26-week bills rose to 7.50 per cent from 7.39 per cent. One-year bills were 7.71 per cent, compared with 7.72 per cent in early trading, but slightly firmer than the 7.70 per cent quoted late on Tuesday

VIENNA — As expected the Austrian National Bank lowered Bank Rate to 4½ per cent from 5½ per cent. The Lombard Rate for securities has been cut to 5 per cent from 6 per cent. The move is seen as part of Government efforts towards making industrial credits cheaper and thereby helping to boost economic growth. Bank liquidity is regarded as adequate and the cut in rates is an adjustment to existing money market conditions.

Lending Rates were last changed in June 1977, when both Bank Rate and Lombard Rate were raised by 1½ per cent.

PARIS—Money market rates were quoted at the same level as on Tuesday, with day-to-day funds unchanged at 7⅞ per cent. Euro French franc deposit rates quoted in London were generally firmer however.

FRANKFURT—Interbank money market rates were unchanged once again, while Euro D-mark rates were a little higher for the shorter periods.

BRUSSELS—The Discount and Lombard rates were unchanged at 5½ per cent after yesterday's Board meeting of the Banque Nationale de Belgique. Deposit rates for the Belgian commercial franc were unchanged, except for call money which rose to 5½ per cent from 3.95 per cent.

HONG KONG—Conditions in the money market were again tight, with call money unchanged at 5 per cent, and overnight slightly firmer at 4¾ per cent compared with 4½ per cent previously.

MANILA — Philippine money market rates showed no change from the previous day's levels.

GOLD

Firmer tendency

In quiet trading, gold rose $½ an ounce to close at $185-185½. There appeared to be very little in the way of fresh factors to influence the market and the metal firmed slightly to $185.25 at the morning fixing from an opening of $185-185½ and showed a further slight rise at the afternoon fixing at $185.35.

In Paris the 12½-kilo bar was fixed during the afternoon at FFr 27,200 per kilo ($186.82 per ounce) compared with FFr 27,350 ($187.52) in the morning and FFr 27,400 ($186.87) Tuesday afternoon.

	June 28	June 27
Gold Bullion (a fine ounce)		
Close	$185-185½	$184¾-185¼
Opening	$185-185½	$184¾-185¼
Morning fixing	$185.25 (£99.957)	$185.10 (£100.175)
Afternoon fixing	$185.35 (£99.919)	$184.25 (£99.756)
Gold Coins domestically		
Krugerrand	$195-197 (£105½-106½)	$194-196 (£105-106)
New Sovereigns	$54½-56½ (£29½-30½)	$54½-56½ (£29½-30½)
Old Sovereigns	$54½-56½ (£29½-30½)	$54½-56½ (£29½-30½)
Gold Coins internationally		
Krugerrand	$190½-192½ (£102¾-103¾)	$190-192 (£103-104)
New Sovereigns	$53-55 (£28½-29½)	$52½-54½ (£28½-29½)
Old Sovereigns	$54½-56½ (£29½-30½)	$54½-56½ (£29½-30½)
$20 Eagles	$277½-280½	$275½-278½
$10 Eagles	$142½-145½	$137-140
$5 Eagles	$102-105	$97-100

UK MONEY MARKET

Small unexpected shortage

Bank of England Minimum Lending Rate 10 per cent (since June 8, 1978)

Interest rates were generally easier in the London money market yesterday, following a forecast from the authorities that the supply of funds would be in surplus for the first time recently. This did not prove to be the case however, with money stuck somewhere in the banking system, and not materialising by the close of business.

Banks will therefore probably bring forward surplus balances, and with conditions expected to be reasonably comfortable today, the Bank of England was probably reluctant to add to the situation by buying bills from the discount houses, and chose instead to lend a small amount overnight to one or two houses, at Minimum Lending Rate of 10 per cent, to relieve a slight technical shortage.

Banks carried over run-down balances from Tuesday, and the market had to repay the money lent to them overnight by the authorities. On the other hand Government disbursements exceeded revenue payments to the Exchequer, and there was a slight fall in the note circulation.

Discount houses paid around 9¾ per cent for most of their money yesterday, although 9 15/16 per cent may have been touched in places, with closing balances taken within a range of 9 per cent to 9¾ per cent.

In the interbank market overnight loans opened at 9¾-10 per cent, and eased to 9½-9⅝ per cent, on expectations of a surplus, before rising to 9¾-10 per cent. Rates eased again, to 9½-9¾ per cent, and closed at 9½-10 per cent.

LONDON MONEY RATES

June 28 1978	Sterling Certificate of deposits	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company Deposits	Discount market deposit	Treasury Bills ϕ	Eligible Bank Bills ϕ	Fine Trade Bills ϕ
Overnight	—	9½-10	—	—	—	10	9-10	—	—	—
2 days notice	—	—	10	—	—	10¼	—	—	—	—
7 days or	—	—	—	—	10	—	9½ 9¾	—	—	—
7 days notice	—	9¾-10⅛	10-10⅛	—	10¼	10⅜-10½	9½-9⅝	9 7/16-9½	9¾-9 13/16	10½
One month	9 7/16-9 9/16	9 13/16-10⅛	10-10⅛	10⅜-9½	10⅜	—	9½	9¼	9½-9 11/16	10½
Two months	10-9⅞	10-10¼	—	10¼-9¾	10⅜	10⅜-10½	9⅜-9½	9 5/16-9⅜	9⅝-9¾	10⅝
Three months	10-9⅞	10 1/16-10¼	9⅞	10¼-9⅞	10½	—	—	—	9¾-9 13/16	10¾
Six months	10¼-10⅛	10 3/16-10⅜	9 15/16-10	10¼-9⅞	10⅝	—	—	—	—	—
Nine months	10 5/16-10 7/16	10¼-10 7/16	—	10¼-9⅞	10⅝	—	—	—	—	—
One year	10 7/16-10 9/16	10 7/16-10⅝	10¼-10⅜	10⅜-10	—	—	—	—	—	—
Two years	—	—	10½-11	—	—	—	—	—	—	—

Local authority and finance houses seven days' notice, others seven days' fixed. Longer-term local authority mortgage rate nominally three years 11¼-11½ per cent; four years 11½-12 per cent; five years 12¼-12½ per cent. ϕBank bill rates in table are buying rates for prime paper. Buying rates for four-month bank bills 9 13/16 per cent; four-month trade bills 10⅜ per cent.

Approximate selling rates for one-month Treasury bills 9 1/16-9⅛ per cent; two-month 9¼ per cent; and three-month 9 5/32-9 7/32 per cent. Approximate selling rate for one-month bank bills 9⅝-9 11/16 per cent; and two-month 9⅝-9 11/16 per cent; and three-month 9 11/16 per cent. One-month trade bills 10⅛ per cent; two-month 10⅜ per cent; and also three months 10½ per cent.

Finance House Base Rates (published by the Finance Houses Association) 9½ per cent from June 1, 1978. Clearing Bank Deposit Rates (for small sums at seven days' notice) 6½-7 per cent. Clearing Bank Base Rates for lending 10 per cent.

Treasury Bills: Average tender rates of discount 9.2346 per cent.

MONEY RATES

NEW YORK

Prime Rate	8.75
Fed Funds	7.9375
Treasury Bills (13-week)	6.96
Treasury Bills (26-week)	7.50

GERMANY

Discount Rate	3
Overnight	3.55
One month	3.55
Three months	4.65
Six months	3.75

FRANCE

Discount Rate	9.5
Overnight	7.875
One month	7.8125
Three months	8.125
Six months	8.375

JAPAN

Discount Rate	3.5
Call (Unconditional)	4.50
Bills Discount Rate	4.875

How ingenuity and flexibility have fuelled Israeli exports

BY L. DANIEL, Tel Aviv Correspondent

ISRAEL LACKS the advantages of some industrialised nations in not having a domestic market of any size, and this problem is aggravated by its lack of overland connections with neighbouring markets. As a result, Israeli industry has had to fall back upon ingenuity and quick adaptation to special demands to carve out a niche for its products overseas.

It has been helped in this by the availability of relatively cheap manpower (particularly low-paid engineers and scientists) combined with a level of infrastructure seldom encountered in countries with similar wage scales. Moreover, the small size of the population has made for far closer co-operation between researchers and potential users than is found in most developed countries.

Expansion

A case in point is the production of medical diagnostic and control equipment. The country has few small hospitals, but about a dozen large ones, the majority located near universities or research institutions, such as the Weizmann Institute of Science, and this permits close collaboration on a day-to-day basis. Moreover, the universities and the Weizmann Institute have set up special companies for the commercial exploitation of research results and have, in some cases, set up "Science Parks" offering laboratory and library facilities on adjoining plots to enable science-based industries to work in close co-operation.

If Israel is to maintain the spectacular expansion of its export trade, the emphasis will have to be on locally developed products rather than on staple lines made in countries enjoying the advantages of large production runs. In 1977, exports of non-military items based on local R and D accounted for $425m. out of total industrial exports, other than polished diamonds, valued at $1.6bn. Last year's figure for locally developed products represented a 40 per cent. gain on 1976, and it is hoped that this rate of growth can be maintained so that, by 1981, $1bn. of locally conceived products will be sold abroad. This would represent 43 per cent. of aggregate industrial exports (other than diamonds) of $2.3bn. foreseen for that year.

This forecast is based on long-range planning as well as on the projects already in hand which are expected to yield tangible results by then. Professor Arie Lavie, Chief Scientist of the Ministry of Commerce and Industry, points out that if each of the 200 projects currently supported by his office were to yield only $3m. in exports — and many promise far bigger results — the target could be reached easily.

The Government's share averages 50 per cent., though participation in projects considered of national importance may rise to 80 per cent. In order to build up a reserve, the Ministry recently introduced a system whereby royalties are collected for seven years on the turnover of goods developed with its assistance, with the rate ranging from ½ per cent. to 2 per cent. according to the extent of Government participation in development costs.

Metal products, engineering equipment, electronics, and specialised chemicals are seen as the most promising categories, with much of the work done in this field as a direct result of Israel's specific conditions. Desalination plants are already being exported, as is a large range of water-use equipment for agriculture, industry and homes, developed to cope with the country's water shortage. Solar energy research ranks high among the priorities, and "Tadiran," Israel's leading electronics producer, has come out with what it calls the world's first solar climate control system. Called ASD (Applied Solar Device), it supplies hot and cold water for air-conditioning units as well as hot water for other uses. It incorporates a supplementary energy unit to keep it going on sunless days. At present, the ASD is being made only for large buildings, such as hospitals, factories and blocks of flats. A 50-tonne unit can provide heating or cooling for a block of 12 flats (the water is heated up to 70°C to 80°C or cooled down to 4°C to 12°C) and a 250-tonne unit for larger buildings.

Spin-offs

Many of the metal, engineering and electronics products are the spin-off from ordnance factories. For example, the Iscar complex in Nahariya supplies hard-metal tools and aircraft parts to both local and foreign markets. The electronics industry is expected to contribute $367m. in four years' time. The range of its sophisticated products is impressive and includes medical and agricultural equipment, telecommunications systems, mini-computers, airport control installations, aircraft navigational aids, lasers, "reading" equipment for the blind and a new bilingual telex system.

Many ideas and projects are developed to meet specific needs. The Kibbutz Industries Association (KIA) has found one answer to the R and D problems of small enterprises (of which there are some 200 in kibbutzim alone). Using the laboratories of existing research institutions, it develops answers to specific requests and also "stockpiles" projects for kibbutzim wishing to set up new enterprises or to add new lines. For example, a kibbutz making plastic products found that the mould required to make a run of 2,000 pieces was too expensive. A cheap mould, which can be used only for short production runs, was developed.

Another kibbutz wanted to export pearl onions for Martinis, conventionally shipped in containers of glass, which were too expensive. A material was developed impervious to the liquid and without properties affecting the taste.

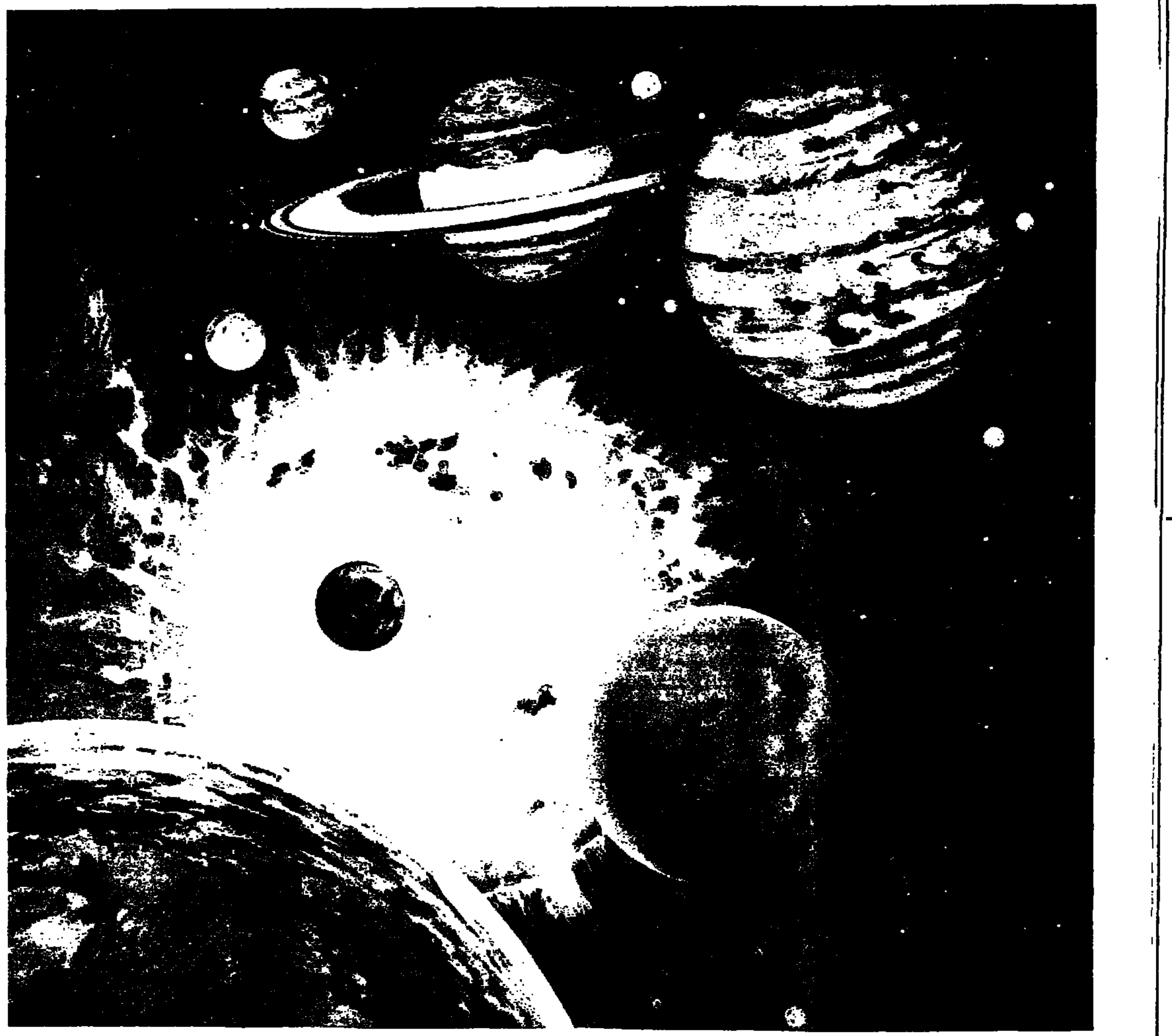
Other successful projects included: a new method of anodising aluminium parts, a new type of solar panel with increased efficiency and another model incorporating the unsightly water tank; an automated irrigation system which measures the humidity and acidity of the soil and adjusts fertiliser/water flow accordingly.

But the most exciting project —still in the pilot stage—is the conversion of agricultural waste into energy to serve all the heating/cooling requirements of agricultural communities. The project started from three premises: that direct application of manure to fields is inefficient and an ecological hazard: that existing anaerobic digestors for manure and other agricultural waste are inefficient and that the conversion of methane gas derived from the digestors into liquid gas for transport elsewhere is too expensive. Therefore, there was a need for the source of waste and the consumers to be in the same locality, as they would be in kibbutzim or on large farms abroad. The research then concentrated on developing new strains of bacteria for "digesting" the waste, new types of digesting tanks, and equipment for collecting and shifting manure or other waste to the tanks.

Energy

Israel has been more successful than others so far. In India, small systems yield ⅓ cubic metre of gas a day per cubic metre of tank, at the end of 60-80 days. In the U.S., 1 cubic metre of gas was yielded at the end of 30 days. However Israeli laboratory tests yielded 8 cubic metres at the end of eight days, and a field pilot plant 5 cubic metres after 10 days.

It has been calculated on this basis that a kibbutz or village with 500 cows in one complex could meet all its energy requirements by using manure and other agricultural waste such as stalks. Such a system would thus remove an ecological hazard, save fuel costs, and provide energy in outlying districts not connected to the electricity grid. The next stage of development will be to apply this process to urban waste. Meanwhile the KIA expects the project not only to assist kibbutzim directly but also to result in the establishment of plants making the specialised equipment required — for both export and the local market.



NOTICE OF REDEMPTION

To the Holders of

ENTE NAZIONALE IDROCARBURI

E.N.I.

(National Hydrocarbons Authority)

6½% Sinking Fund Debentures due February 1, 1982

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Sinking Fund for the Debentures of the above-described issue, Morgan Guaranty Trust Company of New York, as Fiscal Agent, has selected by lot for redemption on August 1, 1978 at the principal amount thereof $1,269,000 principal amount of said Debentures bearing the following serial numbers:

DEBENTURES OF U.S. $1,000 EACH

M-2 32 35 66 67 68 183 219 463 467 472 485 499 507 523 530 620 621 640 642 650 652 700 704 721 742 744 750 751 755 758 763 823 829 832 853 876 880 884 984 998 1014 1229 1491 1495 1498 1500 1513 1786 1844 1861 1900 1925 2048 2050 2053 2058 2068 2086 2098 2123 2174 2188 2216 2222 2224 2232 2249 2258 2272 2298 2350 2385 2396 2404

2532 2557 2561 2588 2593 2594 2597 2599 2615 2616 2639 2642 2646 2650 2679 2725 2737 2743 2753 2767 2784 2802 2813 2829 2830 2831 2835 2837 2890 2919 2952 2962 2970 2974 2989 3000 3016 3022 3024 3029 3082 3149 3167 3187 3189 3197 3210 3410 3425 3426 3427 3430 3432 3437 3458 3463 3523 3730 3737 3753 3754 3774 3841 3899 3911 3916 3919 3927 3930 3976 3977 3989 3992 4120 4123

4161 4172 4283 4288 4308 4315 4353 4363 4373 4375 4504 4532 4566 4568 4569 4571 4572 4651 4736 4766 4855 4991 5020 5022 5030 5032 5073 5079 5110 5237 5288 5301 5314 5319 5334 5337 5398 5403 5415 5421 5427 5451 5458 5461 5495 5506 5522 5523 5528 5532 5535 5543 5557 5565 5569 5594 5615 5619 5623 5624 5635 5644 5663 5686 5717 5731 5735 5740 5744 5898 6000 6008 6017 6047 6048

6063 6069 6075 6203 6221 6271 6273 6453 6464 6505 6515 6541 6549 6623 6646 6659 6662 6665 6667 6669 6702 6716 6765 6846 6869 6891 6907 6925 6955 6988 6996 7038 7039 7052 7061 7066 7152 7161 7171 7211 7252 7266 7277 7310 7367 7400 7413 7423 7468 7481 7582 7596 7597 7617 7669 7671 7677 7682 7688 7690 7756 7820 7827 7843 7844 7888 7929 7936 7939 7946 7964 7994 7997 8007 8017

8023 8037 8038 8065 8082 8092 8109 8121 8144 8145 8170 8174 8206 8208 8213 8219 8222 8246 8254 8267 8278 8312 8313 8327 8349 8377 8378 8394 8407 8412 8441 8443 8445 8524 8531 8563 8573 8596 8599 8600 8601 8608 8619 8648 8677 8685 8695 8701 8710 8718 8723 8740 8744 8745 8759 8783 8795 8815 8830 8849 8856 8865 8867 8889 8910 8922 8932 8937 8953 8957 9000 9003 9011 9022 9023

9272 9278 9280 9295 9428 9438 9442 9466 9468 9482 9497 9499 9509 9528 9535 9652 9673 9776 9797 9798 9806 9812 9814 9822 9906 9911 9932 9936 9938 9942 9943 9955 9959 9962 9973 10012 10038 10056 10079 10088 10093 10096 10119 10122 10166 10167 10168 10179 10189 10197 10216 10266 10268 10269 10271 10274 10336 10340 10359 10362 10372 10431 10435 10455 10456 10468 10470 10474 10485 10486 10535 10543 10557 10560 10562

10582 10592 10616 10618 10631 10643 10646 10683 10690 10701 10728 10752 10765 10766 10770 10782 10783 10808 10813 10818 10828 10833 10844 10860 10871 10875 10898 10909 10924 10925 10935 10942 10958 10960 10969 10980 11041 11042 11047 11094 11095 11105 11130 11160 11167 11174 11299 11303 11316 11340 11397 11403 11404 11405 11427 11470 11472 11475 11478 11481 11496 11569 11570 11572 11584 11585 11598 11602 11642 11646 11765 11791 11884 11887 12036

12066 12075 12080 12092 12156 12161 12244 12277 12288 12291 12364 12478 12582 12585 12596 12646 12648 12651 12654 12655 12664 12665 12669 12787 12849 12853 12856 12880 12889 12912 12920 12941 12972 12989 13000 13007 13025 13027 13167 13185 13347 13352 13354 13357 13369 13371 13391 13453 13674 13694 13697 13728 13737 13756 13809 13816 13822 13836 13842 13848 13986 14361 14363 14375 14388 14405 14411 14421 14430 14452 14453 14516 14523 14531 14544

14546 14589 14597 14598 14601 14629 14641 14642 14657 14691 14704 14709 14713 14755 14766 14772 14783 14810 14815 14819 14834 14843 14847 14853 14863 14867 14897 14931 14941 14951 14956 14969 14973 14980 14997 15011 15018 15022 15044 15047 15062 15064 15086 15107 15116 15120 15121 15136 15148 15153 15167 15181 15186 15214 15215 15217 15232 15241 15258 15261 15281 15282 15290 15297 15311 15322 15324 15336 15361 15376 15377 15398 15404 15418 15420

15448 15457 15466 15469 15476 15478 15486 15523 15535 15556 15565 15570 15576 15581 15584 15586 15590 15596 15604 15608 15621 15635 15644 15658 15661 15663 15682 15706 15714 15735 15744 15746 15760 15763 15788 15807 15810 15818 15837 15850 15854 15872 15912 15931 15935 15945 15963 15971 16055 16066 16071 16089 16098 16099 16106 16113 16120 16138 16159 16160 16165 16179 16237 16257 16265 16268 16276 16403 16404 16421 16446 16453 16470 16490 16494

16500 16504 16513 16544 16545 16553 16559 16570 16580 16587 16697 16709 16819 16825 16837 16841 16860 16863 16868 16873 16878 16912 16976 16980 16984 16985 16986 16990 17119 17129 17130 17135 17152 17169 17213 17230 17247 17254 17275 17279 17289 17294 17306 17310 17311 17326 17331 17355 17360 17370 17389 17393 17417 17425 17435 17439 17451 17464 17472 17491 17495 17535 17546 17570 17611 17624 17635 17662 17674 17679 17680 17695 17714 17725 17743

17749 17758 17792 17793 17807 17811 17827 17833 17840 17952 17967 17970 17973 17991 18012 18022 18038 18046 18049 18052 18057 18070 18091 18103 18125 18127 18134 18148 18157 18171 18179 18198 18203 18214 18236 18242 18270 18304 18310 18321 18335 18345 18352 18384 18387 18395 18410 18414 18449 18452 18460 18461 18505 18506 18508 18515 18520 18529 18531 18536 18584 18585 18590 18592 18614 18617 18621 18627 18631 18682 18702 18713 18722 18723 18725

18729 18737 18745 18763 18769 18772 18778 18784 18795 18868 18882 19023 19028 19034 19050 19051 19121 19310 19311 19321 19345 19371 19375 19377 19379 19386 19398 19405 19408 19431 19452 19486 19489 19518 19537 19552 19561 19582 19587 19589 19603 19638 19654 19655 19664 19679 19692 19693 19696 19724 19732 19740 19753 19754 19762 19768 19808 19809 19810 19851 19855 19857 19859 19866 19877 19888 19892 19924 19934 19936 19937 19945 19994 19996 20013

20021 20022 20026 20027 20041 20048 20055 20065 20086 20108 20125 20134 20141 20150 20153 20166 20176 20177 20178 20197 20206 20213 20227 20229 20246 20254 20278 20283 20287 20307 20320 20321 20345 20368 20376 20380 20399 20402 20411 20443 20457 20481 20491 20496 20505 20532 20537 20540 20558 20567 20572 20581 20596 20634 20650 20652 20687 20688 20695 20718 20732 20740 20741 20751 20762 20763 20765 20769 20776 20781 20818 20825 20854 20860 20869

20874 20894 20927 20940 20944 20945 20952 20954 20956 20979 21010 21015 21032 21039 21056 21057 21066 21104 21106 21121 21125 21132 21147 21151 21156 21161 21162 21172 21176 21179 21187 21191 21193 21209 21223 21243 21244 21245 21289 21321 21349 21353 21355 21358 21378 21379 21399 21412 21474 21490 21496 21607 21704 21711 21713 21724 21748 21765 21766 21771 21792 21797 21799 21807 21809 21810 21829 21833 21836 22407 22432 22441 22444 22448 22450

22461 22463 22476 22495 22501 22587 22613 22645 22652 22653 22673 22675 22676 22689 22758 22764 22777 22779 22795 22796 22814 22897 22899 22903 22905 22909 22974 22977 22996 23491 23512 23514 23525 23548 23551 23560 23570 23582 23588 23589 23608 23614 23615 23616 23617 23672 23680 23698 23706 23717 23736 23748 23754 23768 23786 23792 23894 23913 23925 23927 23928 23932 23934 23984 23985 23991 24017 24018 24021 24023 24025 24037 24044 24096 24099

24101 24123 24129 24159 24162 24166 24177 24178 24184 24189 24192 24239 24256 24259 24262 24277 24282 24297 24315 24316 24335 24347 24357 24365 24396 24405 24410 24421 24424 24431 24451 24505 24565 24570 24576 24577 24578 24587 24595 24606 24622 24625 24629 24634 24635 24657 24705 24729 24758 24762 24765 24772 24774 24803 24804 24805 24817 24825 24848 24855 24866 24886 24935 24962 24963 24965 24971 24986 24992

On August 1, 1978, there will become and be due and payable upon each Debenture the principal amount thereof, in such coin or currency of the United States of America as on said date is legal tender for the payment therein of public and private debts, at the option of the holder, either (a) at the corporate trust office of **Morgan Guaranty Trust Company of New York, 15 Broad Street, New York, N.Y. 10015**, or (b) subject to any laws and regulations applicable thereto with respect to the payment, currency of payment or otherwise in the country of any of the following offices, at the principal office of Banca Nazionale del Lavoro in Rome or the principal office of Banca Commerciale Italiana in Milan or the main offices of Morgan Guaranty Trust Company of New York in London, Brussels, Paris or Frankfurt or the main office of Algemene Bank Nederland N.V. in Amsterdam or the main office of Kredietbank S.A. Luxembourgeoise in Luxembourg-Ville.

Debentures surrendered for redemption should have attached all unmatured coupons appurtenant thereto. Coupons due August 1, 1978 should be detached and collected in the usual manner.

From and after August 1, 1978 interest shall cease to accrue on the Debentures herein designated for redemption.

ENTE NAZIONALE IDROCARBURI
By: MORGAN GUARANTY TRUST COMPANY
OF NEW YORK, *Fiscal Agent*

June 29, 1978

NOTICE

The following Debentures previously called for redemption have not as yet been presented for payment:

DEBENTURES OF U.S. $1,000 EACH

M-169 202 994 2332 2337 2828 3645 4262

4999 5005 5013 5016 5064 5068 5076 5115

6165 7332 7404 7938 7944 7947 7949 7960

7963 7972 7983 7987 7989 7998 8026 8028

8029 8030 8031 8036 8064 8076 8088 8090

8091 8122 8128 8137 8152 8158 8184 8186

8196 8199 8209 8224 8234 8240 8248 8252

8273 8279 8297 8308 8309 8316 8365 8382

8388 8392 9976 9978 10190 10202 10209 10222

10432 10437 10443 10448 10463 10472 10483 10492

10677 10685 10699 10702 10707 10709 10724 11089

12632 13677 13782 13783 13784 13787 13802 13819

16403 16407 16412 16422 16436 16454 16460 16461

16468 16480 16505 16526 16532 16580 17620 17623

17631 18872 21803 21804 21818 21838 21850 21860

22509 22569 22761 22762

APPOINTMENTS

Operations director for Bowater

Mr. Brian J. Hennessy has been appointed operations director of BOWATER CONTAINERS. He takes up his appointment on August 1 and will be succeeded as general manager of the Flexible Packaging Division by **Mr. Rodney A. J. Webb**, who was, until his new appointment, financial controller of Bowater Consumer Packaging.

★

Mr. A. de Boer becomes chairman of TOMATIN, whisky distillers, from September 26 and takes over from **Mr. Richard Callingham**, the present chairman, who will remain a director. Mr. de Boer is chairman of the British Road Federation and a director of the International Road Federation. He is a director of Burmah Oil, the Chloride Group, Steel Brothers Holdings and Tarmac. He is also chairman of Attock Petroleum. He has been a member of the National Bus Company since its inception in 1968 and serves on the Transport and Marketing Committees of the CBI.

★

Mr. J. Lister, general manager, planning, has been appointed chairman of ICI fibres division from September 1. **Mr. C. Hampson**, a vice-president of Canadian Industries, is to become general manager, planning from that date.

★

Mr. D. H. Booth has been appointed executive director BICC CABLES, Prescot, responsible for the co-ordination of activities on the Prescot site. In addition he will become chairman of BICC Metals, BICC Prescot Industries, and Brookside Metals.

★

Mr. K. W. Cook, director of economics and planning of PHILIPS INDUSTRIES, becomes director of finance and planning from July 1. **Mr. A. B. Gilliland**, currently director of finance, becomes special projects director from the same date.

★

ELLERMAN LINES announces the appointment to the Board of **Mr. Timothy Martin-Jenkins**, with effect from July 1. He is chief executive of EWL, the transport division of Ellerman Lines based in Hull. His appointment follows the retirement from the Board on June 30 of **Col. George W. Bayley**, the former chief executive of EWL. **Mr. J. W. Cameron** also retires from the Board on the same day.

★

BRITISH RAIL announces the appointment of **Mr. Colin Driver**, formerly passenger sales manager, headquarters, as chief passenger manager, Eastern Region, based at York. He succeeds **Mr. R. Gemmell** who has been appointed director of public affairs (Scotland).

★

Sir Arthur Hope-Jones joins the Board of LONDON SUMATRA PLANTATIONS as a non-executive director and chairman on July 1. He resigns as a director of Harcros Investment Trust on June 30. Sir Arthur will remain on the Board of Nairobi-based Phillips Harrison and Crosfield.

Mr. F. W. Harper relinquishes the chairmanship of London Sumatra Plantations after the annual meeting on July 25, but will remain as an executive director.

★

Mr. M. K. Schwitzer retires on July 1 from the Boards of AKZO CHEMIE UK and ARMOUR HESS CHEMICALS. He is being retained as technical adviser.

★

Mr. Ainslie Emery has been appointed sales director of the Wolverhampton company STUD-BOLT MANUACTURING, a subsidiary of Ralin Holdings.

★

Mr. K. Bartell has been elected president of the BRITISH CHAMBER OF COMMERCE FRANCE. Mr. Bartell, who is also president of the Conference of British Chambers of Commerce in Continental Europe, was president from 1973 to 1975. He succeeds **Mr. Eustace Balfour**, of Mather and Platt, who becomes vice-president. The other vice-president is **Mr. Robin Ward**, of Resource Evaluation France.

★

Mr. Alan Bates, deputy group managing director of Hoskyns Group has been appointed operations director of AUDITS OF GREAT BRITAIN from July 3. He will control all the company's computer services.

★

Mr. Leslie J. Thomas has been elected deputy chairman of CENTRAL AND SHERWOOD.

★

Mr. Paul Bliss, formerly general sales manager, has been appointed sales director of DAVIS ESTATES (SOUTHERN), a subsidiary of the Wood Hall Trust.

★

Mr. H. Russo, Mr. E. F. Glanville and **Mr. W. E. Brown** have been appointed directors of CORNELIUS CHEMICAL COMPANY. **Mr. K. Prior** has been appointed managing director and **Mr. D. Barker, Mr. W. E. Brown, Mr. E. F. Glanville** and **Mr. P. Weitzman** have been appointed directors of CORNELIUS PRODUCE COMPANY.

★

From July 1, **Mr. Qaiser A. M. Luqman** will be responsible for the UNITED INTERNATIONAL BANK representative office in Abu Dhabi. From the same date, **Mr. Charles Law**, who has been manager of the office for the last three years, will be returning to London to assume a managerial post with the bank.

★

Mr. G. G. Tredinnick, London office manager, the COMMERCIAL BANK OF AUSTRALIA, is returning to Australia to take up his new position as corporate banking manager for Victoria. **Mr. J. Grooby**, who currently holds the position of manager, international operations, will succeed Mr. Tredinnick in London.

★

The Board of CHAMBERS AND FARGUS announces the appointment of **Mr. D. Piercy** as assistant director responsible for the edible oil refinery business from July 1. As a result of the resignation of **Mr. G. J. Dunham**, **Mr. J. F. Cappleman** became company secretary. **Mr. I. Cutting** becomes director, finance and marketing, from July 1.

★

Mr. David M. Bacon has joined the Board of CAMBRIAN AND GENERAL SECURITIES.

★

Mr. Stuart Alexander is leaving the Financial Times to join BL (formerly British Leyland) as corporate communications executive on July 17. He will be based at Nuffield House, Piccadilly.

★

EMI announces that **Mr. Neil Sarsfield** has been appointed deputy director, music operations, South East Asia. He will continue as managing director of EMI (Singapore), and EMI (Thailand).

Mr. Derek Etherington has been appointed marketing director of EMI Leisure.

★

Mr. T. W. Stafford, director of the Sunderland and Shields Building Society, has been elected president of THE BUILDING SOCIETIES INSTITUTE for the year 1978-79.

★

Mr. Anthony P. Bradley has been appointed managing director of FOX AND OFFORD, mould and toolmakers of Birmingham. The appointment takes effect from July 1 and coincides with the acquisition of the firm by the Transformotor Group of Tipton. Mr. Bradley, formerly managing director of Bradley and Turton of Kidderminster, succeeds **Mr. Fred Lupton**, who retires as managing director at the end of June. Mr. Lupton is being retained as a consultant.

★

WINCOTT GALLIFORD, a Midland building company, announce that **Mr. Eric G. Flower**, currently production director, has been appointed managing director from July 1. **Mr. H. Cockroft**, at present managing director, resigns on June 30 to concentrate on his duties as divisional director responsible for all building activity and property development in the Galliford Brindley Group. Mr. Cockroft retains his seat on the Board of Wincott Galliford. **Mr. T. W. Seekings** becomes production manager.

★

Mr. Edward Baker has been appointed finance director of ST. REGIS INTERNATIONAL in place of **Mr. Emlyn Williams** who retired at the beginning of June.

★

Mr. Charles Craft is to retire at the end of July as a director of JOHN LAING AND SON, parent company of the Laing Group.

★

Mr. G. Westrop, managing director of GENERAL FOODS, has been appointed area manager, General Foods Europe in Brussels from August 1. Replacing him at Banbury is **Mr. David F. Hurwitt**, at present marketing manager of the GF Corporation's pet foods division.

★

Mr. Roger Foden has been made chairman and **Mr. Saxon Tate** a director of TUNNEL REFINERIES. **Lord Jellicoe** has resigned as chairman following his appointment as chairman of Tate and Lyle.

★

Mrs. Hester Davies has become company secretary of AJAX MAGNETHERMIC (UK), a subsidiary of the Guthrie Corporation.

★

Mr. J. R. Ryan has been appointed general manager of the SOUTH WEST TRUSTEE SAVINGS BANK on the retirement of **Mr. Stanley Wilson**. **Mr. William Millar** replaces Mr. Ryan as deputy general manager.

★

Professor Thomas Wilson is to become chairman of the SCOTTISH MUTUAL ASSURANCE SOCIETY on July 1 in place of **Mr. W. R. Ballantyne** who retires from the Board at the end of this month. Professor Wilson holds the Adam Smith Chair in Political Economy at Glasgow University.

★

Mr. Geoffrey Hollows, marketing director of Hepworths Ltd., has been appointed to the Board of the holding company, J. HEPWORTH AND SON.

★

Mr. David H. Woolf has been appointed managing director of HENRY BOOT CONSTRUCTION from July 1. He was previously a director and head of operations of Bovis Construction. **Mr. John B. Parkinson**, formerly managing director of Henry Boot Construction and recently appointed group joint managing director of the parent company Henry Boot and Sons, will take over as chairman of Henry Boot Construction at the beginning of next month.

★

RESEARCH SURVEYS OF GREAT BRITAIN, a subsidiary of AGB Research, has made the following appointments: **Mr. T. S. Bowles** as managing director, jointly with **Mr. P. J. Menneer**. Mr. Bowles was formerly a director of the Schlackman Research Organisation. **Mr. P. J. Jenkins** and **Mrs. H. Dunn** become associate directors of RSGB.

★

BRITISH RAILWAYS BOARD has appointed **Mr. Geoffrey Myers**, general manager of the Eastern Region of British Rail at York, to the newly-created post of director of strategic development at Board headquarters. He will head a strategy unit working with headquarters departments and with the Board's subsidiary businesses to identify and develop areas of change. **Mr. M. V. Casey** is to become engineering director of British Rail Engineering to succeed **Mr. J. J. C. Barker-Wyatt**, who retires at the end of this month.

★

BRITISH AEROSPACE Dynamics Group at Bristol, has appointed the following five new divisional executive directors: **Mr. R. O. R. Chisholm**, divisional project manager Rapier (research and development); **Mr. G. J. Felton**, engineering; **Mr. R. F. Hatcher**, production; **Mr. R. G. T. Munday**, electronic and space systems; and **Mr. B. J. Rosser** in charge of other major military contracts.

Air Commodore G. Watson has joined BRITISH AEROSPACE DYNAMICS GROUP's Hatfield/Lostock Division as executive in charge, air weapons (Hatfield).

★

Mr. Raymond Monbiot has been appointed managing director of ASSOCIATED BISCUITS, the home biscuit division of The Associated Biscuit Manufacturers with effect from September 1. Since 1976 he has been managing director of Henry Telfer.

★

Mr. Tom O'Dell has been appointed manager of acquisitions for the exploration department of CONTINENTAL OIL COMPANY (Conoco). He will be based in the London office.

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BUSINESS BOOKS

Nuclear energy—another victim of a preoccupation with invention

BY DAVID FISHLOCK

Nuclear Power and the Energy Crisis. by Duncan Burn. Macmillan, price £13

A CONCLUSION now being reached by some of the excellent technical minds which are bending to the problem of Britain's steadily declining economic performance is that there has been a debilitating preoccupation for far too long with the "what" rather than the "how" of industrial activity. Britons attach disproportionate importance to invention, and far too little to its production. The first, it seems, is "creative activity" and hence to be lauded: the other is merely "trade."

Aircraft is perhaps the most obvious example: Britain's track record for invention has been unsurpassed but its past performance for commercial achievement is mostly a joke. Electronics, the business of black boxes and chips, is another disturbing example. Nuclear energy provides a third.

Mistake

Duncan Burn, in a searching analysis of two decades of the fledgling civil nuclear industry, makes the same basic mistake. *If only Britain had picked this* invention, not that one, he argues, commercial success would have been assured. His book will raise many a blush—on the cheeks of politicians, I suggest, rather than on those of industrialists or technical experts—as he mercilessly exposes attempts to rationalise decisions by people who often had failed to grasp the issues.

But the central question must be whether in 20 years' time Burn's book will be seen as having helped to put Britain's nuclear industry on its feet, —an industry which by then, reason tells us, should have become mature and perhaps prosperous. It appears at a time when, once again, Britain is wrestling with the organisation and management of the industry. No-one, customers least of all, is satisfied with the clumsy two-tiered management structure of the National Nuclear Corporation, introduced only in 1974.

Nuclear power stations are probably the most complex of all industrial projects—far too complex for the customer simply to place a "turnkey" contract *then sit back and decide who* shall cut the tape. The utilities have learned that they must work closely with their contractor, meeting problems head-on as they arise. Success calls for much mutual confidence and trust—trust on the contractor's part, for example, that he will be fairly rewarded if, when trouble strikes, he starts to sort it out without waiting until a fresh contract has been sewn up.

This calls for an entrepreneurial management style, of a *kind all but eradicated from* the present industry. As a result the Central Electricity Generating Board and its big engineering team at Barnwood are becoming deeply embroiled in nuclear project management. And they are discovering just how absurdly optimistic have been the estimates of completion dates and costs made as recently as a year or two ago.

It is Burn's thesis that all of this is the consequence of consistently choosing the wrong type of reactor. *If only*, he says, Britain in 1965 had come to the same conclusion as the U.S. heavy electrical industry and chosen the light water reactor (LWR) instead of its own line of gas-graphite reactors, condemned in the U.S. as being of "low material economy"—that is, too big and thus more expensive. He hints, though *fails to substantiate, that there* was a conspiracy within the U.K. Atomic Energy Authority to reject the LWR. He may well be right. The course, set in the early 1950s, was pursued single-mindedly: and considering the problems that had to be overcome this was probably no bad thing.

Lord Aldington, chairman of the National Nuclear Corporation.

Unfortunately the politicians were *less consistent in their* support for the nuclear industry. In the 1950s it was being urged to go faster than was good either for industry or its customers. Then they lost interest when the urgency seemed to recede. When Britain began to unlock its North Sea resources, which competed for funds, their apathy often *turned into overt hostility*.

Burn charts the decline and fall of the industry accurately and remorselessly. Yet, because he is not really comparing U.K. performance with progress elsewhere, he arrives at far too simple an answer. You will find no reference to the fact that U.S. General Electric—the company whose reactor the author believes Britain should have chosen in 1965—lost money on every one of the first eleven nuclear stations (all turnkey) it built.

You will find no reference to the two great pitfalls into which the U.S. nuclear industry fell in the 1970s. One was that it under-priced its reactors, selling them as part of a package which included fuel services for years ahead; the razor and blade principle of marketing once enunciated by King Gillette. But it was caught *out badly when nuclear fuel* prices began to rocket along with other energy prices in the wake of OPEC's actions in *1973: some nuclear companies* had apparently assumed that they would always be able to pick up uranium cheaply when—some years after they took the reactor order — the customer called upon them to deliver. The second pitfall it failed to anticipate was the devastating impact of public hostility towards big U.S. business *in general and the way* this has focused on the energy companies, curtailing nuclear business during the 1970s.

Not right

The Vinter Committee set up by the U.K. Government in 1970 to make a decision on reactor choice came to the con*clusion that the real problem* lay in the organisation and management of the industry. Get this right first, it concluded, *and the reactor decision* would evolve naturally. In fact it is still not right in 1978.

However, right to the end of his book Burn remains convinced that reactor choice is the key to commercial success. *His contempt for Lord Hinton*, for instance—as the man praised for his central and unsung role in the official history of nuclear energy in Britain by Margaret Gowing—is palpable. "The work had been entirely within the realm of Hinton's pre-war and wartime experience—quite different in character from that of sorting out, evaluating and developing reactor systems, choosing which horses to back, when to abandon them, when to choose new ones, and riding them well."

Foundation

Hinton was charged with the task of producing the materials for the first nuclear weapons; with the "how" rather than the "what." *But the "how" in* this case meant designing from scratch a series of large factories to make and refine materials *virtually* unknown in Britain before the war, and inherently difficult to deal with. He did this to time and cost schedules that would be unattainable today even if translated into 1978 prices. He laid the foundation for the successful part of the British nuclear industry, nuclear fuel services—almost ignored by Mr. Burn.

The future of the British nuclear industry probably lies in a management relationship akin to that which exists between the chemical and petrochemical industries and their contractors—and Britain has about 40 per cent of W. Europe's process contractors. This may suggest that the dominant feature of the nuclear industry *should be fuel services* and not reactors, few of which are likely to be ordered over the next seven or eight years. It may *even suggest that any new type* of reactor—such as a light water reactor—should be ordered piecemeal, from world suppliers who meet the UK specification for performance and safety, just as the chemical industries order their plants.

Looking beyond the technical remedies to cure inflation

BY PETER RIDDELL

The Political Economy of Inflation. Edited by Fred Hirsch and *John H. Goldthorpe*; Martin Robertson, prices £8.95 and £3.95

INFLATION is much more than just a technical economic problem: it reflects and influences wider social and political forces. Yet inflation has traditionally been studied mainly by economists who have been reluctant to go beyond a discussion of various technical remedies while regarding non-economic and political factors as variable and *adaptable*.

This new work is a largely successful attempt to fill the gap, and is an appropriate tribute to the inspiration of Fred Hirsch, one of the co-editors who died earlier this year just after *correcting the proofs* of the book. The intention is to contribute to a more broad-based study of inflation while avoiding a "*multi-disciplinary (or* worse, *non-disciplinary)* mish*mash*" or a "*dialogue of the* deaf."

The work consists of 10 main essays as well as an introductory and concluding chapter, covering not only the economic background and effects of inflation, but also the political and sociological context. The contributors include economists, sociologists, political scientists and historians, representing a fairly wide spread of views, though excluding "hard-line" Marxists and monetarists.

The book has clearly benefited both from close co-operation between the contributors and from discussions held at a conference of 70 social scientists at Warwick University in May, 1977. The result is that different disciplines and *approaches are related more* closely.

The collection also provides an admirable summary of much of the vast amount of *work* which has been undertaken on *inflation* and the development of modern capitalist societies (in part now the same issue) since the start of the great price explosion of the early *1970s. Most of the essays are* accessible to the general reader and the more technical and statistical passages can *easily be skipped without missing the drift of the argument.*

Clarity

John Flemming's opening chapter is a notable example *of this clarity. By explaining* how inflation itself is essentially a monetary phenomenon he provides an introduction to the *later discussion of the possibly* more elusive non - monetary factors.

Among the themes discussed are the relationships between the growth of the public sector and inflation, and the impact *of inequalities between the* leading industrial countries and the rest of the world. Some myths about the impact of inflation are also undermined: David Piachaud of the London School of Economics points out, for example, that inflation "acts neither as Robin Hood nor as Robber Baron; neither the poor nor the rich are *affected in a uniform way.*" He maintains that inflation has different effects on particular groups at different times in the *life cycle.*

David Piachaud also mentions the most interesting theme of *the book—the view that inflation* is not so much a cause of problems of modern capitalist society but a symptom of wider *difficulties. He says: "To the extent that inflation is the outcome of people attempting*, because of dissatisfaction with the existing income distribution, to improve their relative position, then inflation can only be overcome when there is a degree of consensus that the distribution of incomes is fair and just—which is a long way off."

These isues are discussed in three linked chapters by Samuel Brittan of the Financial Times, John Goldthorpe from Oxford and Colin Crouch of the LSE. Colin Crouch argues that institutions of the classic bourgeois state are incapable of providing an adequate regulation of interests when so many of those *interests are organised and in*capable of containment by economic means alone: inflation is one major outcome of this position. *Both John Goldthorpe* and Samuel Brittan argue, from differing standpoints, that inflation is not just a technical economic problem but a response—indeed perhaps a temporary solution—to more fundamental social and political difficulties. Similarly, Fred Hirsch notes in his concluding chapter that "*both Keynesianism and inflation can be seen as defensive* responses by capitalist societies challenged by the new political and economic imperatives of a democratic age."

Problems

Samuel Brittan argues that "the real problems of liberal democracy are not in the end about inflation. The spread of market relations itself tends to undermine the status structure *which provides capitalism with* its legitimacy in the eyes of most people. . . . By disguising our problems as the semi-tech*nical conundrum of inflation*, we may be making them seem more tractable than they really are. Inflation may even have been a benign form of self-deception, a means of buying time. But we have come to the end of this period of grace."

Other recent publications

Business. by Charles A. Kirkpatrick and Frederick A. Russ. Science Research Associates Inc., Henley-on-Thames. Price £6.95

This is the second edition of a book aimed largely at students of business. Some material has been deleted from the first edition and some expanded. There are a number of different sections, the first of which presents an overview of business, while the second looks at the behaviour of individuals and at how managers actually manage. Section three describes the broad range of activities of personnel departments, and section four examines the marketing function. Other sections deal with financing, the need for providing adequate information to those inside and outside a company and there is a section on relations between business *and government*.

Solutions Manual to Management Accounting, by Norman Thornton. Heinemann. This book is also primarily aimed at the student and is therefore largely a technical work, describing such activity as ratio analysis and inter-firm comparison, funds analysis, and aspects of budgetary control. It is liberally filled with practical examples of how to draw up various types of account and concludes with a section looking at the future of management accounting

Britain's Economic Problem: Too Few Producers by Robert Bacon and Walter Eltis. Macmillan, price £7.95 and £2.95

This comprises a series of already published articles which aimed to set out a new explanation of the decline of the British *economy after the* Second World War. The articles have been extended in the book and the describe the effects of a growing shift of the country's resources from the production of goods and services which can be marketed at home and overseas to the provision of unmarketed public services.

Can You Succeed in Business and Still Get to Heaven by Linda King Taylor and Alan Reid. Associated Business Programmes

This looks at the background and consequences of a whole series of questions, such as "Is the creation of wealth the only valid business objective?" "Can the growth which profit requires and in turn pro*liferates keep on year after* year?" and "How will business cope with depleted world resources and the levelling-up demands of the Third World?" The authors argue that Britain best reflects the myriad prob*lems of industrial society*, but that it also contains the conditions and ingredients which could bring about a "*managerial revolution*" with long-lasting and far-reaching consequences.

هكذا من الأصل

BUSINESS BOOKS

A sugar-coated account of the rise of Mr. Cube

BY JOHN EDWARDS

Sugar and All That . . . A History of Tate and Lyle, by Anthony Hugill. Gentry Books, £9.50

COMPANIES WANTING a history of their achievements face a difficult dilemma. Do they commission an independent outsider, possibly a professional writer, to give a detached impersonal view? Or do they find a writer connected with the company, who already has a good background knowledge and can be relied on to give a favourable impression?

The danger of the outsider is that he may want to dig too deep and insist on including in the book past events or views that the company might want to be ignored or forgotten.

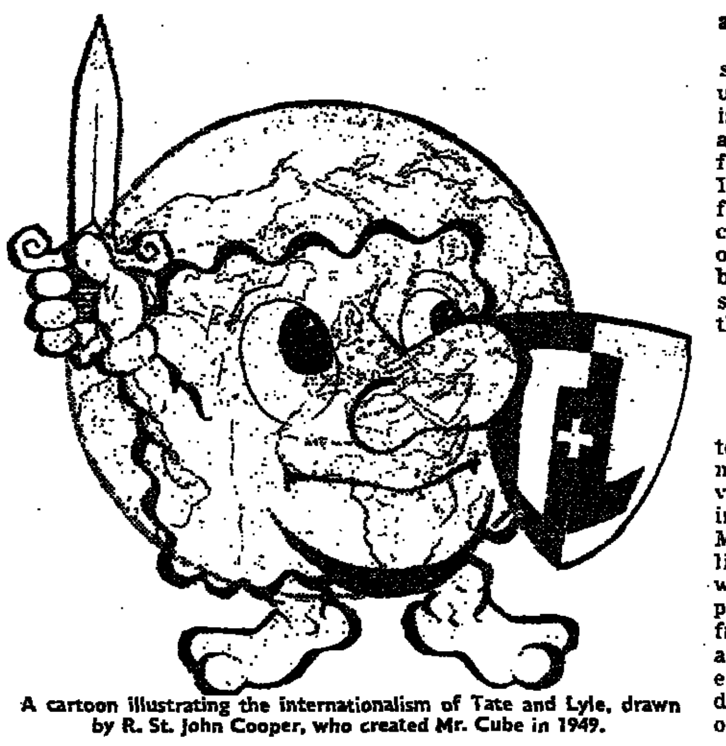
Biased

With the safer alternative course of using a writer known to the company the problem is that the history can be too favourably slanted and thereby dismissed by the reader as being biased.

Tate and Lyle have fallen into the second trap. This history of the company was written by a man who worked for the company for 30 years. He was heavily involved in the Mr. Cube anti-nationalisation campaign and obviously devoutly shares the political convictions of his former employers.

He was commissioned, so we are told, by the Board of Directors to present the history of the company in a light-hearted manner, warts and all. The tone for the book is set by the follow-up instructions quoted: "Facts yes," they said, "and get 'em right if you can. But not too many figures. And watch those damned dots."

Well, the book contains precious few warts. One of the "family" apparently had too much of a liking for kummel and the Tates and Lyles appear to have generally loathed each other until, of course, the present generation. Otherwise the directors are benevolent chaps, occasionally eccentric and humourous, but all the time resolute businessmen determined to do the best for the company. Their workers are sturdy yeoman, who enjoy a good simple joke and working hard. Sometimes they may go astray, led by malcontents. However they are soon back on the right path with the help of the company and sensible union leaders. They are all part of one big happy family and know that any factory closures are for reasons beyond the company's control.



A cartoon illustrating the internationalism of Tate and Lyle, drawn by R. St. John Cooper, who created Mr. Cube in 1949.

Mr. Hugill's light-hearted writing is something you either like or loathe. His technical descriptions are easy to understand, even for someone knowing nothing about sugar. The background detail, especially of the Mr. Cube campaign, sheds interesting light on the company attitude and views at the time.

Unfortunately a more defensive tone is taken on more up-to-date developments. So it is difficult to detect current attitudes to the many problems facing Tate and Lyle at present. It would be interesting to know, for example, the company's current views on nationalisation of its sugar refining interests, bearing in mind the changed situation since Britain joined the EEC.

Eluded

It would also be interesting to know much more about the matters not mentioned, or only vaguely hinted at. For example, in the chapter on United Molasses there is a throw-away line: "A marketing system which helped to stabilise world prices was fashioned." No further mention is made of an achievement that has so far eluded other commodity producers and the UN Conference on Trade and Development.

"Sugar and All That" is not for the serious reader who wants to know about one of the world's basic staple foodstuffs. It is a lengthy, sometimes endearing, history of Tate and Lyle.

Cutting through the plethora of names and poetical quotations there is a good "inside" account of how one of Britain's most famous companies was built up and run. But the book does not attempt to give a proper analysis of a group that is in one of its many transitional periods of change. Trying to move away from sugar refining and this year for the first time ever electing a non-family man as chairman.

When capital ownership gives employees power of decision

BY JOHN ELLIOTT

Employee Investment Funds: an approach to collective capital formation by Rudolf Meidner. George Allen and Unwin, £6.95

BECAUSE of the way that the debate in Britain over employee participation and profit sharing schemes has developed during the past few years, it is often forgotten that a far more radical approach has been under consideration elsewhere in Europe and Scandinavia, and especially in Sweden. This book, by a leading researcher and policy maker in Sweden's Labour movement, Rudolf Meidner, helps to fill that gap. It shows how the Swedish unions have moved towards advocating a worker-director system based on collectively held shares in industry, rather than on simply putting employee representatives in the Boardroom as an extension of consultation and participation.

The trade union interest in the subject in Sweden sprang from what to UK eyes will seem a rather unlikely source: what to do with some of the profits that Sweden's companies were making, partly as a result of the success of the country's centrally - bargained anti-inflation wage agreements. Sweden's economic and industrial successes have waned since the debate first got fully under way in 1971; but the interest remains and even the current non-Socialist Government is giving the ideas some consideration.

From tapping high profits, the union's interest spread to gaining a say in how profits are allocated for investment purposes, to checking the distribution of wealth among traditional groups of shareholders.

So with the three aims of complementing the wages policy, redistributing wealth, and increasing employee involvement, Meidener produced a report for the Swedish unions in 1976 and this book is a translation of the work. The ultimate scheme put forward was that 20 per cent of a company's profits should be paid into a central fund collectively run by the unions. Local unions would have a right to elect board members to their area's companies according to the size of the shareholdings—which would of course grow year by year.

Take over

When a holding reached 20 per cent, union bodies covering sectors of industry which up to then had had only consultative and research roles, would take over the job of appointing extra Board members. Gradually, therefore, the trade unions would take over both the ownership and the running of industry.

Such an idea of course caused a furore in Sweden and has yet to be introduced, although it became a major issue in the last general election. But it has been considered elsewhere and a research paper from Britain's Labour Party called "Capital and Equality" produced somewhat similar ideas in 1973. But the British Labour movement, wedded to its traditions of class and shop floor conflict, has shown little real interest.

Had the British TUC, however, decided to react in detail to the Lib-Lab pact's internal company profit sharing tax concessions which are contained in the current Finance Bill, it would have had to argue something along the Swedish lines. As it was, the TUC realised the usefulness of the Government humouring the Liberals with the tax concessions for individually owned shares, and shrank from starting the sort of debate about the growth of union power that the Meidner style collective proposals would cause.

Nevertheless, the British unions have shown an interest in exercising collective influence over pension funds and over other investment institutions. It also seems likely that, should individual company profit sharing ever become significantly widespread, they will look for a role there too. As Meidner says: "He who controls the capital holds the right to initiate and the chance positively to embark on implementing decisions . . ."

British unions, however, are primarily arguing in the current industrial democracy debate that a worker, as an employee, should have a right to initiate and implement decisions either through a worker director system or through extended collective bargaining. The approaches in the two countries are therefore different: but together they show the breadth of the debate about the rights of a worker and his union.

Trade unions in focus

The Fifth Estate, Britain's Unions in the Seventies. By Robert Taylor. Routledge & Kegan Paul. Price £7.50

THIS BOOK sets out to describe Britain's trade unions in a favourable light but underlines many of their current weakneses.

Written by the Labour Correspondent of the Observer newspaper, it contains profiles of several of the country's major unions. It concentrates mainly on their present leaders and records, and provides useful sketches of how they function.

An appendix contains a guide to the annual wage round, while the first part of the book looks at the growth and operations of the unions in general and the TUC in particular.

Pointers to proper management

How to be a Successful Manager by R. W. Nickson. Thorsons Publishers, Wellingborough, Northants. Price £3.75

A COMMON trait among many management pundits is their propensity for making statements of the obvious. Indeed, it is a noticeable characteristic even of authors as exalted as Peter Drucker, who is still considered by many to be the high priest of management thinking —after more than 30 years of preaching a gospel that has changed little in its basic concepts.

Mr. Nickson is no less obvious with many of the tenets he holds to be true. For example, in motivating people, he says a manager's first step "is to make sure that everyone is quite clear about what his objective is. If they do not know what they are trying to achieve they are unlikely to achieve it." Then again, he says of management tasks: "Planning and organising by themselves will achieve nothing. The manager must now initiate and then sustain the action necessary to put his plans and organisation into effect."

There are two points that can be made about such statements. The first is that they are all very fine providing the context in which they are made is constructive. On the whole, Mr. Nickson's book develops sound management principles and it is easy to follow his themes which — perhaps as a result of his 35-year career in the Royal Navy — have running through them a clear message to managers of the need for discipline and responsibility.

The second point about the obviousness of many management pundits is that this so often appears to be just what managers — even those at the top of their profession — are looking for. Perhaps it is simply that they gain reassurance from hearing someone else put forward principles which they are already aware of (or should be) and which they believe in.

Mr. Nickson's is a fairly basic manual and not a particularly "deep" or intellectual book—but then it does not pretend to be.

N.L.

A plea for shiftwork flexibility

The Human Aspects of Shiftwork, by James Walker. Institute of Personnel Management, price £3.95, plus 35p postage

WHY, WHEN and how should shiftwork be introduced and what are the effects for the shiftworker? These are just some of the questions discussed by Mr. Walker, in whose book the underlying theme is a recurrent plea for greater flexibility in the arrangement of shift hours to suit both group and individual needs.

The major part of this work is concerned with the effects of shiftwork and particularly nightwork on an employee and the ways by which management can effectively introduce and administer shiftwork. There are chapters on the prevalence of shiftwork and the economic and factory conditions which favour its introduction; and the arrangement of shift systems and their administration are also considered.

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Wall St. up 2.60 on portfolio adjustments

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EARLY LOSSES were more than recovered in slow trading on Wall Street yesterday, helped by end of the quarter portfolio adjustments.

After shedding 2.95 to 814.36 the Dow Jones Industrial Average rallied to 819.91, for a net gain of 2.60. The NYSE All Common Index picked up 23 cents to $53.58, while advances led declines by 826-to-585. Trading volume sharply decreased by 6.02m shares to 23.26m, the smallest since May 30 when 21.04m shares changed hands.

Stocks gained despite adverse economic news. The dollar traded in a narrow range after opening lower on European Foreign Exchanges. Dealers related the lower opening to Senate action to thwart President Jimmy Carter's plan to impose fees on oil imports if Congress doesn't pass his Crude-Oil Tax.

Also in the news — Treasury Secretary Michael Blumenthal carried the Administration's fight against relief from Capital Gains Taxes to the Senate.

U.S. Money Supply data due Tomorrow and the Consumer Price Index report due Friday, combined with the upcoming Independence Day long weekend, made investors wary of taking big positions.

In the Casino Group of stocks—which were sharply lower in the two previous sessions after an earlier run-up in price—Ramada Inns held unchanged at $8, Ceasars World were off $⅜ to $23¼, Del E. Webb were down $⅜ to $20½, Bally MFG. rose $1 to $34⅞, Howard Johnson 13⅞ were up $¼ to $13⅞. MGM shed $¼ to $38 and Playboy declined $⅜ to $22¼.

Rite Aid were down $1¼ to $21¼, despite slightly higher first quarter net earnings.

Consolidated Foods eased $¼ to $25⅞, after block of 206,800 shares traded at $25¼.

Applied Digital Data gained $⅞ to $14⅞ and traded as high as $15¼—a subsidiary of Texas Instruments contracted to buy video computer terminals from Applied Digital Data for resale throughuot the U.S.

Scott Fetzer moved ahead $⅞ to $31⅞ on a raised dividend.

Sears, Roebuck were active and up$⅝ to $23⅞—a block of 220,000 shares traded at $23—It will open nine new stores in July and close some others, for a net increase in floor space of 907,000 square feet.

Active Arlen Realty were lifted $⅞ to $4⅞.

Dresser Industries added $⅞ at $43½—it had no comment on reports the U.S. Security Council is questioning Dresser's proposed sale of $144m of oil production equipment to the Soviet Union.

Twentieth Century-Fox jumped $2⅜ to $39⅜ — its film "Star Wars" has grossed $220m and a sequel is planned for late 1979, early 1980.

THE AMERICAN S.E. Market Value Index was up 0.31 at 145.08, while advancing issues outnumbered declines by 318-to-275. Volume fell to 3.12m (4.881m) shares.

Resorts International "A" the most active issue, moved down $¼ to $69⅞ on 262,900 shares.

Also active were **Damson Oil**, up $1⅞ at $13¼ on 80,200 shares, **Ashland Oil**, up $1⅛ at $20⅞ on 71,300 shares, **National Patent Development**, up $⅞ at $9⅞ on 66,700 shares, **Shenandoah Oil**, up $1⅝ at $34⅛ on 65,000 shares, and **Houston Oil and Minerals**, up $⅛ at $22⅛ on 64,200 shares. A Paper presented to the Canadian Society of Petroleum geologists said North America's largest natural gas basin may lie in the deep basin in Alberta and British Columbia.

Canada

Higher levels were recorded in bus ytrading yesterday, when the Toronto Composite Index moved up 2.3 to 1122.8.

The Gold Share Index advanced 25.2 to 1426.8, Oil and Gas rose 4.2 to 1432.6 and Metals and Minerals gained 1.7 to 918.9.

But **Alberta Gas Trunk "A"** fell $⅞ to 14⅞—Petro Canada said it withdrew its bid for Husky Oil since Alberta Gas raised its holding in Husky to 35 per cent.

Canadian Occidental lost $⅞ to $20½—its subsidiary of Occidental Peteroleum, rival bidder for Husky shares.

Maclean-Hunter A gained $¼ to $16⅞ on a dividend increase.

Canadian Vickers were up $1 to $33 — it won a $15m contract from Ontario Hydro.

Numac Oil and Gas slipped $¼ to $36, despite a planned two-for-one stock split and dividend increase.

The Montreal Industrial Index put on 0.50 to 180.80, Banks 1.39 to 274.43 and Papers 0.91 to 112.56. Utilities shed 0.67 to 169.63.

Tokyo

Prices rose sharply in active trading, led by Pharmaceuticals and Electricals, despite the Yen's strength. Volume 290m (230m) shares.

The market was encouraged by the improved margin trading positions with a sharp fall in the outstanding balance of buying orders.

Pharmaceuticals were bought on expected better business prospects, while Electricals and Electronic Components also gained ground.

Sony rose Y50 to 1,700, **Pioneer Electronic** Y110 to 1,810, **Matsushita Electric** Y15 to 731, **Fujisawa Pharmaceutical** Y62 to 985 and **Green Cross** Y80 to 1,920.

Constructions were also higher, as were other issues related to Government investment in Public Works.

Foodstuffs moved up.

Hong Kong

Market closed slightly higher on local and overseas interest in moderately active trading. Hang Seng Index rose 3.81 to 544.85.

Swire Pacific firmed 5 cents to HK$8.05 and **Wheelock** 2½ cents to HK$3.125, while other leaders rose around 10 each, taking **Hong Kong Bank** to 17.80, **Hong Kong Land** to 9.45, **Hutchison Whampoa** to 6.15 and **Jardine Matheson** to 15.60.

Hong Kong Telephone moved up 50 cents to 34.00 after its earlier announcement of higher charges. **Hong Kong Hotels** gained 30 cents to 15.50, while **Cheong Kong** at 8.60 and **Hong Kong Electric** at 5.95 each put on 10 cents.

Germany

Prices rose in relatively quiet trading.

In Banks **Commerzbank** gained DM2 to 228.2. **Siemens** were up DM1.30 at 291.3, **BASF** firmed DM1.10 to 129.4 and **Kaufhof** DM4.50 to 224.5.

MAN put on DM2.50 to 198.5 in Engineerings.

Public Authority Bonds were again weak, shedding up to 40 pfennigs. The Regulating Authorities purchased a nominal DM57.7m worth of stock. Mark Foreign Loans continued mixed.

Paris

French prices recovered some of their losses of the last two sessions in dull trading. The rise of 0.6 per cent in the market indicator at the close was essentially due to buying by Institutional investors in the absence of any significant selling orders.

Rubbers, Mechanicals, Stores, Electricals and Oils were well-placed at the close, while other sectors were irregularly traded. Noticeably higher were **Cetelem, Schneider, Saint-Louis, Generale d'Entreprise, Kleber, Poclain, Matra, CFP** and **Rhone-Poulenc**. Marked lower were **Bail Equipment, Poliet, Labinal, Cotelle** and **UTA**.

Advances predominated among Germans, Canadians and Gold Mines in otherwise mixed International issues.

Australia

Markets drifted aimlessly and brokers expect little action while end of financial year factors persist.

Banks gained, with the **ANZ** rising 7 cents to A$3.12.

BHP lost 12 cents to $6.82, while **CSR** held steady at $2.98 following its annual report.

Among Coals, **Coal and Allied** put on 2 cents to $4.0 and **Thiess** were up 7 cents to $2.67.

Austen and Butta eased 5 cents to $1.75. **White Industries** gained 8 cents to $1.78—last week it said it was looking for overseas investment to develop its Ulan coal deposits in NSW.

Pancontinental dipped 10 cents to $13.50. Other Uraniums were steady.

Switzerland

Prices were narrowly irregular in continued quiet trading.

Among Banks, **Union Bank of Switzerland** declined SwFrs 20 to 3,060 while, among Financials, **Interfood** rose SwFr 150 to 4,050. In Insurances, **Winterthur** bearer eased slightly.

Domestic and Foreign Bonds were little changed in quiet dealings.

In a quiet Foreign sector, Dollar stocks were very steady. Exception was actively traded **Penn Central** which lost about 10 per cent. Dutch Internationals were mixed while Germans were higher.

Amsterdam

The general trend was irregular. Of the traded Dutch stocks, 89 rose while 105 declined.

Bank and Insurance shares were weak. But **Amsterdam-Rotterdam Bank** were up Fl 0.30 to 76.20 and **Amey Insurance** Fl 1.50 to 80.5.

Transportations declined. **Van Ommeren**, however, moved up Fl 2.9 to 142.

Dutch Industrials were mixed. **Bols Distilleries** were down Fl 1.40 to 71, **Elsevier Publishing** rose Fl 3 to 283, **Ogem Holding** off Fl 1.5 to 29, **Pakhoed** Fl 3.60 higher at 41, **Stevin Group International Contracting** declined Fl 2 to 130, **VMF-Stork Engineering** rose Fl 1.9 to 44.50.

On the Bond market, losses averaged Fl 0.10 to Fl 0.20.

Brussels

Belgian shares were mixed in moderate trading.

Steels were little changed following tentative agreement to end the strike which has hit the sector during the past week.

In Foreign stocks, U.K., Germans and U.S. issues rose, Dutch were little changed, French were mixed, while Gold Mines were slightly lower.

Oslo

Banking shares were quiet, while Insurances and Industrials were unsteady. Shippings were mixed.

NEW YORK

Stock	June 28	June 27
Abbott Labs	32⅜	32¼
Addressograph	20¾	21
Aetna Life&Cas.	39⅝	39¼
Air Products	28⅝	27¾
Alcan Aluminium	27	26⅜
Alcoa	45	42⅝
Alleg. Ludlum	18	18
Allegheny Power	18⅛	17½
Allied Chemical	36¼	37⅝
Allied Stores	22¼	22½
Allis Chalmers	34⅝	34¼
AMAX	33	32¾
Amerada Hess	28	27⅝
Amer. Airlines	12¼	11⅝
Amer. Brands	50⅜	50
Amer. Broadcast.	47⅝	47½
Amer. Can	42⅜	43
Amer. Cyanamid	29¼	28⅞
Amer. Dist. Tel.	32¾	33¼
Amer. Elec. Pow	22⅞	22⅞
Amer. Express	35⅝	35½
Amer.Home Prod	28⅜	28¼
Amer. Medical	26¼	26
Amer. Motors	5¾	5½
Amer. Nat. Gas	42	41⅞
Amer. Standard	42½	42¼
Amer. Stores	35¼	35½
Amer. Tel. & Tel.	60⅛	60⅛
Ametek	32½	32
AMF	18⅝	17¾
AMP	32¼	32¼
Ampex	13⅞	14
Anchor Hocking	28⅛	29
Anheuser Busch	24	23½
Armco Steel	28⅛	28⅜
A.S.A.	20¾	20¾
Asamera Oil	14⅛	14⅜
Asarco	14¼	14½
Ashland Oil	30⅜	30¼
Atl. Richfield	49¾	49⅞
Auto Data Pro.	30¾	30½
AVC	9⅛	9½
Avco	24½	24½
Avon Products	53⅛	52¼
Balt Gas Elect.	25½	25½
Bank America	22¾	22½
Bankers Tr. N.Y.	35⅝	35
Barber Oil	27½	27
Baxter Travenol	41¼	40½
Beatrice Food	24⅝	24¾
Becton Dickenson	36⅛	36
Bell & Howell	20	20⅛
Bendix	36¾	37⅛
Benguet Cons 'B'	3½	3⅝
Bethlehem Steel	23⅝	22⅛
Black & Decker	18	18¼
Boeing	52½	50¾
Boise Cascade	26⅞	26¼
Borden	28⅝	29½
Borg Warner	29¾	29⅝
Braniff Int.	13	12¾
Brascan 'A'	14	14⅛
Bristol Myers	35¼	35⅛
Brit. Pet. ADR	15½	15½
Brockway Glass	33	33
Brunswick	15	14¾
Bucyrus Erie	15	15⅝
Bulova Watch	6¼	6¼
Burlington Nthn.	37½	37⅛
Burroughs	72	72½
Campbell Soup	34	34
Canadian Pacific	16⅛	16
Canal Randolph	10½	10½
Carnation	27½	27⅜
Carrier & General	12	12
Carter Hawley	17½	17¼
Caterpillar Tractr	55⅜	54⅝
CBS	52⅞	53¼
Celanese Corpn.	39½	39
Central & S.W.	16⅛	16⅝
Certainteed	20¼	20⅜
Cessna Aircraft	36	35½
Chase Manhattan	30½	30
Chemical Bk. NY	38⅝	37⅞
Chesebgh Pond.	24½	24¾
Chessie System	29	29
Chicago Bridge	33½	33½
Chrysler	10¾	10⅝
Cinerama	4⅜	4⅜
Cinc. Milacron	29	28¾
Citicorp	23⅝	23⅜
Cities Service	48⅜	48¼
City Investing	15⅜	15½
Coca Cola	41¾	41⅛
Colgate Palm.	21¼	21
Collins Aikman	12⅛	11¾
Columbia Gas	26½	26½
Columbia Pict.	20	18⅝
Com.Insur.ofAm	18⅜	18¼
Combustion Eng.	39⅝	39⅝
Combustion Eq.	16⅞	15¾
Com'w'th Edison	27	27¼
Com'w'th Oil Ref.	2½	2½
Comm. Satellite	39¼	39½
Computer Science	10⅜	10⅛
Conn Life Ins	35⅝	34½
Conrac	20¾	21
Con. Edison N.Y.	22¾	22¾
Consol Foods	25¾	25⅞
Consol Nat. Gas	38⅛	38⅛
Consumer Power	22⅞	22¾
Continental Grp	29¾	29
Continental Oil	26⅛	26
Continental Tele	15½	15⅝
Control Data	33⅛	32⅝
Cooper Indus.	54⅜	54⅛

Stock	June 28	June 27
Corning Glass	55¼	55
CPC Int'n'tional	51¼	51¼
Crane	28⅛	28¼
Crocker Nat	25⅝	26
Crown Zellerbach	31	30⅝
Cummins Engine	38	38⅝
Curtiss Wright	16¾	16⅞
Dana	27	26⅞
Dart Industries	42½	42⅛
Deere	32	32⅛
Del Monte	25⅞	25⅛
Deltona	11⅛	11⅛
Dentsply Inter.	22	21½
Detroit Edison	15½	15⅝
Diamond Shamrk	25½	25⅜
Dictaphone	14½	14½
Digital Equip.	46⅞	46¼
Disney (Walt)	40½	40¼
Dover Corpn.	44¼	44⅛
Dow Chemical	25	24⅞
Dravo	26⅝	26¼
Dresser	43½	42⅝
Dupont	115¾	115¾
Dymo Industries	30⅛	30¼
Eagle Pitcher	24¾	24¾
East Airlines	12¾	12⅛
Eastman Kodak	54½	53⅞
Eaton	37	37⅜
E.G. & G.	24⅜	24¼
El Paso Nat. Gas	16⅛	16⅝
Eltra	30⅝	30½
Emerson Electric	34	35½
Emery Air Freight	23½	23½
Emhart	37	36⅜
E.M.I.	2⅝	2⅝
Engelhard	21⅝	21½
Esmark	30¾	30⅛
Ethyl	21⅞	21¾
Exxon	44	43⅞
Fairchild Camera	30½	29⅝
Fed. Dept. Stores	36¾	36¼
Firestone Tire	14⅛	14⅛
Fst. Nat. Boston	28½	28⅛
Flexi Van	20¼	19⅞
Flintkote	26½	25⅞
Florida Power	30⅛	30
Fluor	36⅜	36⅝
F.M.C.	24	23¾
Ford Motor	46⅞	47
Foremost Mck.	20	19⅜
Foxboro	36½	36¼
Franklin Mint	8½	8½
Freeport Mineral	23⅝	24
Fruehauf	29½	29¼
Fuqua Inds	10¾	10¾
G.A.F.	13⅞	14
Gannett	42¾	42¾
Gen. Amer. Int.	10	10½
G.A.T.X.	28⅛	28
Gen. Cable	16⅞	16¼
Gen. Dynamics	77⅞	77⅛
Gen. Electric	49¾	49½
Gen. Foods	31⅝	31¼
General Mills	30¼	29⅞
General Motors	59⅝	59¾
Gen. Pub. Util.	18⅜	18½
Gen. Signal	30⅝	30⅞
Gen. Tel. Elect.	28½	28⅜
Gen. Tyre	24⅞	24⅝
Genesco	5⅛	6⅛
Georgia Pacific	26⅛	26⅜
Getty Oil	145¼	145¾
Gillette	28¾	28½
Goodrich B.F.	22¼	22½
Goodyear Tire	16¾	16⅝
Gould	29⅜	29⅜
Grace W.R.	27⅛	27
Gt. Atlan Pac Tea	6⅝	7
Gt. North Iron	25⅛	25⅛
Greyhound	13⅜	13¼
Gulf & Western	14	14
Gulf Oil	23⅛	23
Halliburton	64⅜	65⅞
Hanna Mining	32⅞	32⅜
Harnischfeger	16⅜	16¼
Harris Corpn.	54¼	54½
Heinz H.J.	38½	38½
Heublein	27¼	27
Hewlett Packard	80¼	80
Holiday Inns	18	18
Homestake	34½	34⅞
Honeywell	55⅝	55
Hoover	11⅞	11⅛
Hosp.Corp.Amer.	32	31¾
Houston Nat. Gas	25⅜	25⅛
Hunt(Ph.A)Chm	10⅜	10⅝
Hutton (E.F.)	15⅜	15⅝
I.C. Industries	25¾	25¼
INA	42¼	42⅜
Ingersoll Rand	54⅜	54⅝
Inland Steel	36⅜	36½
Insilco	15	15
IBM	261.87	260.87
Intl. Flavour	23⅜	23
Intl. Harvester	35⅝	35⅛
Intl. Min&Chem	37⅞	37¾
Intl. Multifoods	20¾	20½
Inco	16	16⅛
Intl. Paper	39⅝	39⅜
IPG	33⅞	33½
Intl. Rectifier	11⅛	11
Int. Tel. & Tel.	30⅛	29⅝
Invest	1	1
Iowa Beef	34½	34⅝
IU International	11½	11⅜
Jim Walter	28⅞	29⅛

Stock	June 28	June 27
Johns Manville	30⅞	30½
Johnson Johnson	81⅛	80¾
Johnson Controls	27	26⅛
Joy Manufactur'g	33¼	33⅛
K. Mart Corp.	24¾	24⅝
Kaiser Aluminium	31¾	31⅝
Kaiser Industries	2⅛	2
Kaiser Steel	24⅛	24¾
Kay	12⅜	12½
Kennecott	23½	25
Kerr McGee	43	42⅝
Kidde Walter	33⅛	32¾
Kimberly Clark	45	45⅝
Koppers	22¼	22⅜
Kraft	47¼	47½
Kroger Co.	32⅞	32½
Leaseway Trans.	31⅝	31⅛
Levi Strauss	33⅛	33¼
Libby Ow. Ford	26⅝	26⅞
Liggett Group	31½	31½
Lilly (Eli)	46¼	45⅞
Litton Indust.	21⅝	21¼
Lockheed Aircr'ft	22	21⅜
Lone Star Indus.	20⅝	20⅜
Long Island Ltg.	19⅜	19¼
Louisiana Land	21¾	21¾
Lubrizol	38¾	39⅜
Lucky Stores	15⅜	15⅜
Lyke Youngst'wn	7½	7½
MacMillan	11¼	11¼
Macy R.H.	40½	40⅝
Mfrs. Hanover	34⅞	35¼
Mapco	32¼	32
Marathon Oil	45	45⅛
Marine Midland	14¾	14⅛
Marshall Field	22⅞	23¼
May Dept. Stores	24⅝	24¾
MCA	47¾	48⅛
McDermott	25¾	25¾
McDonnell Doug.	33½	33¾
McGraw Hill	22⅝	22½
Memorex	43¾	43
Merck	57⅞	55¼
Merrill Lynch	16½	16⅜
Mesa Petroleum	33⅛	33
MGM	38	37⅜
Minn Ming & Mtg	54⅝	53¾
Mobil Corpn.	62⅝	62¾
Monsanto	51	50⅝
Morgan J.P.	44¾	44⅛
Motorola	45⅛	45
Murphy Oil	37¼	37¼
Nabisco	24⅞	24½
Nalco Chemical	29⅛	29
National Can	17⅝	17⅝
Nat. Distillers	21	21⅛
Nat. Service Ind.	16	16¾
National Steel	30½	30¼
Natomas	41¼	41
NCR	64⅛	64⅛
Neptune Imp	17⅞	18
New England El.	21⅝	21½
New England Tel	33	32½
Niagara Mohawk	14	14
Niagara Share	10½	10½
N.L. Industries	18¾	19⅛
Norfolk & Western	24⅜	24½
North Nat. Gas	40	40
Nthn. States Pwr	25¾	25⅞
Nthwest Airlines	26¾	26½
Nthwest Bancorp	25	24⅝
Norton Simon	18⅛	18¼
Occidental Petrol	22¾	22
Ogilvy Mather	55½	55½
Ohio Edison	18½	18⅛
Olin	14¼	14¼
Overseas Ship	25¼	25¼
Owens Corning	30½	29½
Owens Illinois	21	21¼
Pacific Gas	23⅞	23¾
Pacific Lighting	19⅞	20
Pan Pwr. & Ltd.	21	20⅞
Pan Am World Air	6⅞	6¾
Parker Hannifin	23⅝	23⅛
Peabody Int.	24⅛	24½
Pen. Pw. & L.	20⅝	21
Penney J.C.	36⅜	36¼
Pennzoil	28⅛	28⅜
Peoples Drug	10¾	10½
Peoples Gas	34⅝	34⅞
Pepsico	29¼	29¼
Perkin Elmer	23	23
Pet	51⅞	51½
Pfizer	32¾	31¾
Phelps Dodge	20⅞	21⅛
Philadelphia Ele.	17½	17⅜
Philip Morris	66¼	65¼
Phillips Petrol'm	32¼	32¼
Pillsbury	36⅞	37⅜
Pitney Bowes	23½	23½
Pittston	22⅞	20⅞
Plessey Ltd ADR	16½	16½
Polaroid	38¼	37⅞
Potomac Elec.	15⅛	15⅛
PPG Industries	27¼	27
Procter Gamble	85	85⅜
Pub Serve Elect	22⅝	22⅛
Pullman	32¾	32⅛
Purex	17	17
Quaker Oats	24⅜	24⅞
Rapid American	9¾	10⅛
Raytheon	47	45½
RCA	26⅞	26½
Republic Steel	23¼	23

Stock	June 28	June 27
Revlon	48¼	48¼
Reynolds Metals	28¼	28⅝
Reynolds R.J.	54⅞	54¼
Rich'son Merrell	25⅜	25¼
Rockwell Inter.	31⅞	31¾
Rohm & Haas	33⅜	33
Royal Dutch	58¾	58¾
RTE	14⅜	14¾
Russ Togs	12¼	12¼
Ryder System	22⅞	22⅝
Safeway Stores	40¼	40⅛
St. Joe Minerals	23⅞	23⅛
St. Regis Paper	27⅝	27½
Santa Fe Inds	35½	34⅞
Saul Invest	5⅞	5½
Saxon Inds	6⅝	6½
Schlitz Brewing	13¼	13½
Schlumberger	82¼	80⅝
SCM	16⅝	18¾
Scott Paper	16¼	16⅝
Scovil Mrg.	20	20¼
Scudder Duo Vest	7¾	7½
Sea Containers	27⅝	28⅛
Seagram	23	22¾
Searle (G.D.)	13⅞	13⅞
Sears Roebuck	23¼	22⅝
SEDCO	33⅜	34¾
Shell Oil	31½	31⅝
Shell Transport	39⅞	39⅝
Signal	45	45⅛
Signode Corp	37	37½
Simplicity Pat	13¾	13⅞
Singer	20	20
Smith Kline	77½	76⅝
Solitron	2⅞	2⅝
Southdown	30	29¾
Southern Cal. Ed.	25⅜	26
Southern Co.	16¼	16⅛
Sthn. Nat Res	36½	36¾
Southern Pacific	31¼	31⅜
Southern Railway	48	47¾
Southland	28⅜	28⅞
S'w't Bancshares	26⅞	27
Sperry Hutch	17	17
Sperry Rand	42	41¾
Squibb	34¼	34
Standard Brands	25½	25¼
Std. Oil California	39⅞	39¾
Std. Oil Indiana	48½	48
Std. Oil Ohio	61¾	61½
Stauff Chemicals	41	41⅛
Sterling Drug	15⅜	15⅛
Studebaker	62⅞	62½
Sun Co.	41½	40⅝
Sundstrand	45	44¾
Syntex	29⅜	29
Technicolor	11¾	11¾
Tektronix	40⅞	40
Teledyne	100¾	96½
Telex	5½	5¼
Tenneco	30¾	31
Tesoro Petroleum	10⅜	10⅛
Texaco	23⅞	23¾
Texasgulf	17¾	18⅛
Texas Eastern	41¼	41¼
Texas Inst'm	78¾	78
Texas Oil & Gas	31	30¾
Texas Utilities	20¼	20⅜
Times Inc.	40⅞	40½
Times Mirror	28½	28¾
Timken	50	49½
Trane	34⅝	34
Transamerica	15	15
Transco	18¼	18¼
Trans Union	35	34½
Tranway Int'l	26⅝	26½
Trans World Air	19⅛	19½
Travelers	35	35
Tri Continental	19½	19
T.R.W.	37¾	37¼
20th Century Fox	39⅜	37
U.A.L.	29½	29
UARCO	24¼	24½
UGI	19	18¾
Unilever	57½	57½
Unilever NV	53½	53⅞
Union Bancorp	24½	24
Union Carbide	37¾	37⅞
Union Commerce	[illegible]	[illegible]
Union Oil Calif.	47½	46⅝
Union Pacific	44⅛	45
Uniroyal	7¾	7⅝
United Brands	8⅞	8⅛
US Bancorp	29	29
US Gypsum	24¼	24½
US Shoe	23¾	23¾
US Steel	26⅝	26¼
US Technologies	43	43
UV Industries	19⅜	19¼
Virginia Elect.	14⅛	14¼
Walgreen	23⅜	23¼
Warner-Commun.	41⅜	41⅛
Warner-Lambert	28⅜	28¼
Waste-Man'ment	25¾	25⅜
Wells-Fargo	26¼	26⅞
Western Bancorp	32¾	35¼
Western N. Amer	27½	27½
Western Union	16⅝	16⅜
Westinghse Elec	21½	20¾
Westvaco	25⅝	25¼
Weyerhaeuser	24⅝	24
Whirlpool	22	22
White Con. Ind.	22⅛	22
William Co.	18¼	18⅛
Wisconsin Elect	28	28

Stock	June 28	June 27
Woolworth	18⅝	18½
Wyly	4	4
Xerox	52¾	52
Zapata	15¾	15⅝
Zenith Radio	14⅛	14
U.S.Treas 4% 1980	[illegible]	†94[illegible]
US Treas 4¼% 75/85	†79⅞	†79⅞
U.S. 90 day bills	6.90%	6.93%

CANADA

Stock	June 28	June 27
Abitibi Paper	12¾	12¼
Agnico Eagle	5.75	5.87
Alcan Aluminium	30⅝	30¼
Algoma Steel	20¾	21
Asbestos	43¼	†43½
Bank of Montreal	22⅜	22⅛
Bank Nova Scotia	20¼	20⅛
Basic Resources	4.60	4.60
Bell Telephone	56½	56¾
Bow Valley Ind.	30⅛	30½
BP Canada	15¼	14⅞
Brascan	15¾	15⅞
Brinco	†4.20	4.20
Calgary Power	38½	38⅝
Camflo Mines	15	14⅝
Canada Cement	11	11
Canada NW Lan.	11½	11⅜
Can.Imp.Bk.Com	28⅜	28
Canada Indust	†20	†20
Can. Pacific	18¼	18¼
Can. Pacific Inv.	19	19½
Can. Super Oil	56½	56½
Carling O'Keefe	5.12	5.12
Cassiar Asbestos	11	11
Chieftain	†8⅝	19¼
Cominco	27¼	27⅛
Cons. Bathurst	27½	27¼
Consumer Gas	17½	17⅝
Coseka Resource	5⅜	5⅜
Costain	†12⅜	12½
Daon Devel.	8⅛	9
Denison Mines	73¾	74½
Dome Mines	87¼	85¾
Dome Petroleum	62	61¼
Dominion Bridge	†24½	24⅜
Domtar	17½	17¼
Dupont	14¾	14¾
Falcon'ge Nickel	21¾	21¾
Ford Motor Can	†75¼	†75¼
Genstar	29¼	29⅜
Giant Yel'wknife	12¾	12½
Gulf Oil Canada	27	27
Hawker Sid.Can.	8	7¾
Hollinger	35½	35
Home Oil 'A'	42	41½
Hudson Bay Mng	17⅛	17⅛
Hudson Bay	20½	20½
Hudson Oil & Gas	43½	43¼
I.A.C.	19⅝	19¼
Imasco	33¾	33¾
Imperial Oil	18⅝	18¾
Inco	18	17⅛
Indal	†11¾	11⅛
Inland Nat. Gas	10⅞	10⅝
Int'pro Pipe Line	14¾	14¾
Kaiser Resource	15	15
Laurt Fin. Corp.	8⅝	8½
Loblaw Com. 'B'	4.00	4.00
McMill'n Bloed'l	18½	18⅝
Massey Ferguson	12⅛	12⅛
McIntyre	22½	23½
Moore Corpn.	37⅝	37½
Mountainstate Rs	3.70	3.75
Noranda Mines	25½	24¾
Norcen Energy	15¼	15⅛
Nthn. Telecom	30¾	40¾
Numac Oil & Gas	36	36½
Oakwood Petr'm	4.10	4.10
Pacific Copper M.	2.00	1.84
Pacific Petroleum	35⅝	35¼
Pan. Can. Pet'm.	32½	32⅛
Patino	15⅞	†15¾
Peoples Dept S.	4.80	4.80
Place Can & Oil	0.93	0.95
Placer Development	21¾	21¾
Power Corporat'n	16⅜	16½
Price	14	13¾
Quebec Sturgeon	1.35	1.32
Ranger Oil	32	32½
Reed Stenh.	10¼	10¼
Rio Algom	31¾	31⅝
Royal Bk. of Can.	32⅜	32⅛
Royal Trust	19	18⅝
Sceptre Resources	7¾	7¾
Seagram	25⅞	25⅝
Shell Canada	13¾	13¾
Sherritt G. Mines	5.12	5½
Simpson	[illegible]	[illegible]
Steel of Canada	25	25
Steep Rock Iron	2.82	2.85
Teck Corpn. 'B'	[illegible]	[illegible]
Texaco Canada	39	39½
Toronto Dom.Bk.	19⅝	19⅝
TransCanPipeLine	16⅝	15½
Trans Mount Pipe	9	8⅞
Trizec	†13	†13
Union Gas	11	10⅞
Utd. Siscoe Mines	7⅛	7¼
Walker Hiram	32⅝	32⅝
West Coast Trans.	11⅞	11
Weston (Geo.)	17	17

† Bid. ‡ Asked. § Traded. ¶ New stock.

NOTES: Overseas prices shown below exclude $ premium. Belgian dividends are after withholding tax.
◆ DM50 denom. unless otherwise stated, yields based on net dividends plus tax. ♥ Ptas.500 denom. unless otherwise stated. ♣ Kr.100 denom. unless otherwise stated. ⊕ Frs 500 denom. and Bearer shares unless otherwise stated. ¶ Yen 50 denom. unless otherwise stated. $ Price at time of suspension. a Florins. b Schillings. c Cents. d Dividend after pending rights and/or scrip issue. e Per share. f Francs. g Gross. div. %. h Assumed dividend after scrip and/or rights issue. k After local taxes. m % tax free. n Francs: including Unilac div. p Nom. q Share split. s Div. and yield exclude special payment. t Indicated div. u Unofficial trading. v Minority holders only. y Merger pending. * Asked. † Bid. § Traded. ‡ Seller. z Assumed. xr Ex rights. xd Ex dividend. xc Ex scrip issue. xa Ex all. △ Interim since increased.

GERMANY ◆

June 28	Price Dm.	+ or —	Div. %	Yld. %
AEG	78.8	+0.3	—	—
Allianz Versich	485	......	31.2	3.2
BMW	239xd	......	28.08	5.9
BASF	129.4xd	+1.1	18.76	7.3
Bayer	130.5xd	......	18.75	7.2
Bayer-Hypo	282.5	+1.9	28.12	4.9
Bayer-Vereinsbk	315.5	+2.5	18	2.8
Chaint.Nol.wrts	165	......	—	—
Commerzbank	228.2	+2	17	7.5
Conti Gummi	74.1	—0.4	—	—
Daimler Benz	299xd	+0.5	28.12	4.7
Degussa	259	+2	17	3.3
Demag	156	—0.5	14	4.5
Deutsche Bank	303xd	+0.8	28.12	4.6
Dresdner Bank	238.5	+0.7	28.12	5.9
Dyckerhoff Zem	190xd	+2	9.38	2.5
Gutehoffnung	206.8	+1.8	12	2.9
Hapag Lloyd	119.8	+0.8	14.04	5.9
Harpener	294.0	+1.5	15.72	5.5
Hoechst	127	+0.9	18.75	7.4
Hoesch	45.1	—0.2	4	4.4
Horten	132	+1.5	9.36	3.6
Kali und Salz	136.1	—0.9	14.04	5.2
Karstadt	320.5	+2.5	23.44	3.7
Kaufhof	224.5xd	—4.5	18.72	4.2
Klockner DM100	90	+0.2	—	—
KHD	183	—0.3	18.76	5.1
Krupp	94.5	......	—	—
Linde	249.5	+2.5	25	5.0
Lowenbrau 100	1,420	+5	25	8.8
Lufthansa	108.2	—1.3	9.36	4.3
MAN	198.5	+2.5	12	3.0
Mannesmann	158.5	+0.5	17.18	5.4
Metallges	215	......	10	2.3
Munchener Rück	542	—3	18	1.7
Neckermann	135	......	—	—
Preussag DM 100	115.3	+0.3	—	—
Rhein West. Elec	189	—0.5	25	6.6
Schering	269.5	+0.5	28.12	5.2
Siemens	291.3	+1.3	16	2.8
Sud Zucker	244.9	......	26.56	5.4
Thyssen A.G.	117.8	+0.6	17.18	7.3
Varta	172	—2.5	14	4.1
VEBA	119.3	+0.4	12	5.0
Vereins & West Bk	291	......	18	3.1
Volkswagen	212.5	—0.5	25	5.8

AMSTERDAM

June 28	Price Fls.	+ or —	Div. %	Yld. %
Ahold (Fl.20)	105	—0.3	a21	3.4
Akzo (Fl.20)	28.6	—0.3	—	—
Algem Bnk (Fl.100)	363.7	+0.2	28.5	7.8
AMEV (Fl.10)	80.5xd	+1.5	50	6.2
Amrobank (Fl.20)	76.2	+0.5	23.5	5.9
Bijenkorf	91.5	—1	26	5.7
Boka West'm (Fl.10)	118	+0.5	80	6.8
Burton Tettende	73.0	......	26	7.1
Elsevier (Fl.20)	283	+3	27.5	1.9
Ennia N.V. Bearer	136.5	—0.3	37.5	5.5
Euro Com Tst (Fl.10)	67.4	+0.1	94.5	5.2
Gist Brocades (Fl.10)	34.7	......	23	6.4
Heineken (Fl.25)	102	—0.9	14	3.4
Hoogovens (Fl.20)	31.6	—0.7	—	—
Hunter D. (Fl.100)	24.5	—0.5	12	4.9
K.L.M. (Fl.100)	145	—0.5	8	5.5
Int. Muller (20)	47.6	—0.1	19	8.0
Naarden (Fl.10)	35.7	—0.7	12.5	3.5
Nat.Ned Ins (Fl.10)	103.1	—0.9	48	4.7
NedCred Bk Fl.20	53.5	—0.2	21	7.8
Ned Mid Bk (Fl.50)	195.2	—0.6	22	5.6
Oce (Fl.20)	154.5	+0.5	36	4.7
Van Ommeren	142	+2.9	18	5.6
Pakhoed (Fl.20)	41	+3.6	—	—
Philips (Fl.10)	26.3	+0.1	17	6.4
RijnSchVer (Fl.100)	81	—2	—	—
Robeco (Fl.50)	170	......	A266	7.5
Rolinco (Fl.50)	130.5	+0.5	—	—
Rorento (Fl.50)	122.8	......	14	5.8
Royal Dutch (Fl.20)	130.6	+0.6	53.75	8.2
Slavenburg	248	—2	19	7.6
Stevin Grp (Fl.20)	130	—3	27½	4.2
Tokyo Pac. Hlds $	123.5	+0.5	30	0.6
Unilever (Fl.20)	119.8	—0.8	42.8	7.1
Viking Res. Int.	41	—0.5	20	1.2
Westlan'du. Bank	398	......	33	4.0

COPENHAGEN ♣

June 27	Price Kroner	+ or —	Div. %	Yld. %
Andelsbanken	134½	......	11	8.2
Burm'ser W.	410	+6	15	3.7
Danske Bank	123	......	12	9.3
East Asiatic Co	159½	......	12	7.5
Finansbanken	129¾	......	13	10.0
For. Bryggerier	361	......	12	3.3
For. Papir	75¾	+¾	—	—
Handlesbank	124	......	12	8.9
G.N'th'n H.(Kr80)	263	......	12	4.1
Nord Kabel	191	+2	12	6.3
Oliefabrik	75½	......	—	—
Privatbank	129¼	......	—	8.5
Provinsbank	136	......	11	8.1
Soph. Berendsen	400	—2	12	3.0
Superfos	178¾	—1¼	12	6.7

VIENNA

June 28	Price %	+ or —	Div. %	Yld. %
Creditanstalt	342	......	10	2.9
Perimoose	263	......	9	3.4
Selecta	598	+1	38	8.0
Semperit	88	......	—	—
Steyr Daimler	186	+2	8	4.3
Veit Magnesit	235	—1	14	6.0

TOKYO ¶

June 28	*Prices Yen	+ or —	Div. %	Yld. %
Asahi Glass	335	—3	14	2.1
Canon	475	+8	12	1.3
Casio	659	+34	25	1.9
Chinon	350	......	20	2.9
Dai Nippon Print	540	......	18	1.7
Fuji Photo	547	+2	15	1.4
Hitachi	249	+2	12	2.4
Honda Motors	574	......	18	1.6
House Food	1,160	+10	35	1.5
C. Itoh	227	—1	12	2.6
Ito-Yokado	1,360	+20	30	1.1
Jaccs	700	—10	13	0.9
J.A.L.	2,640	—10	—	—
Kansai Elect Pw	1,160	......	10	4.3
Komatsu	346	—4	18	2.6
Kubota	279	+1	15	2.7
Kyoto-Ceramic	4,110	+100	35	0.4
Matsushita Ind	731	+15	20	1.4
Mitsubishi Bank	278	......	10	1.8
Mitsubishi Heavy	124	+1	12	4.8
Mitsubishi Corp	427	—1	13	1.5
Mitsui & Co	318	—1	14	2.2
Mitsukoshi	582	+6	20	1.7
Nippon Denso	1,470	+60	15	0.5
Nippon Shinpan	718	—3	12	0.8
Nissan Motors	805	+4	16	1.0
Pioneer	1,810	+110	48	1.3
Sanyo Electric	267	—3	12	2.2
Sekisui Prefab	874	+13	30	1.7
Shiseido	1,140	+10	20	0.9
Sony	1,700	+50	40	1.2
Taisho Marine	231	—3	11	2.4
Takeda Chemical	395	+15	15	1.9
TDK	2,260	+150	30	0.7
Teijin	120	......	10	4.2
Tokio Marine	480	—2	11	1.1
Tokio Elect Pow'r	1,030	......	8	3.9
Tokyo Sanyo	325	+4	12	1.8
Tokyo Shibaura	141	......	10	3.5
Toray	144	—1	10	3.5
Toyota Motor	933	+3	20	1.1

Source Nikko Securities Tokyo

BRUSSELS/LUXEMBOURG

June 28	Price Frs.	+ or —	Div. Frs. Net	Yld. %
Arbed	2,355	+5	—	—
Bq. Brx Lamb.	1,550	—30	72	4.7
Bekaert "B"	1,925	......	116	6.0
C.B.R. Cement	1,150	+10	100	8.7
Cockerill	456	+8	—	—
EBES	2,260	+5	177	7.9
Electrobel	6,420	—40	430	6.7
Fabrique Nat.	2,660	—25	170	6.4
G.B.Inno Bm	2,165	+15	150	6.9
Gevaert	1,306	+4	86	6.5
Hoboken	2,255	+10	170	7.5
Intercom	1,730	......	142	8.2
Kredietbank	6,820	......	290	4.5
La Royale Belge	5,630	+30	325	5.8
Pan Holding	2,690	+50	$2.25	3.0
Petrofina	3,665	+20	174	4.8
Soc Gen Banque	2,950	—15	205	6.9
Soc Gen Belgique	1,910	+15	140	7.4
Sofina	3,130	+20	215	6.9
Solvay	2,370	+10	A210	9.0
Traction Elect	2,565	......	170	6.7
UCB	926	+2	—	—
Un Min (1/10)	716	+4	50	7.0
Vieille Montagne	1,510	—40	—	—

SWITZERLAND ⊕

June 28	Price Frs.	+ or —	Div. %	Yld. %
Aluminium	1,270	+10	8	3.1
BBC 'A'	1,635	—5	10	3.0
Ciba Geigy (Fr.100)	1,115	—5	22	1.9
Do. Part. Cert.	860	......	22	2.6
Do. Reg.	595	......	22	3.7
Credit Suisse	2,190	......	16	3.6
Electrowatt	1,740	+10	10	2.9
Fischer (Georg)	680	+5	6	3.7
Hoffman Pt Certs	74,250	+750	550	0.7
Do. (Small)	7,450	+75	55	0.7
Interfood B	4,050	+150	21	2.6
Jelmoli (Fr. 100)	1,445	+5	21	1.5
Nestle (Fr. 100)	3,495	+10	n85.5	2.5
Do. Reg.	2,230	......	n85.7	3.8
Oerlikon B (F.250)	2,555	+5	15	1.4
Pirelli SIP (F 100)	290	......	15	5.1
Sandoz (Fr.250)	3,900	+25	26	1.7
Do. Part Certs	488	+5	26	2.7
Schindler Ct F100	295	—8	12	4.1
Sulzer Ct (Fr. 100)	350	......	14	4.0
Swissair (F.350)	850	—6	10	4.1
Swiss Bnk. F.100	382	—1	10	2.6
Swiss (Re) Fr250	4,750	......	40	2.1
Union Bank	3,060	—20	20	3.3
Zurich Ins	10,575	......	44	2.1

MILAN

June 28	Price Lire	+ or —	Div. Lire	Yld. %
ANIC	97.00	—1.25	—	—
Bastogi	448.5	—1.5	—	—
Fiat	1,785xd	+11	150	8.3
Do. Priv.	1,468xd	+4	160	10.1
Finsider	101.75	—1.25	—	—
Italcement	11,700	+10	200	1.7
Italsider	198.25	+0.50	—	—
Mediobanca	33,240	—80	1,200	3.6
Montedison	146.00	—0.25	—	—
Olivetti Priv	985xd	+2	—	—
Pirelli & Co.	1,892	—50	130	6.9
Pirelli Spa	944	+2	80	8.5
Snia Viscosa	712	—3	—	—

EUROPEAN OPTIONS EXCHANGE

Series		July Last	July Vol.	Oct. Last	Oct. Vol.	Jan. Last	Jan. Vol.	Stock
ABN	F27.50	—	—	3.20	5	4.50	2	F28.40
ABN	F30	—	—	1.80	11	3	6	F28.40
ABN	F32.50	—	—	—	—	3	15	F28.40
E. Kodak	$45	9¼	1	—	—	—	—	$53⅛
E. Kodak	$50	—	—	6½	3	7⅜	10	$53⅛
E. Kodak	$60	—	—	2	12	3⅛	2	$53⅛
IBM	$260	6	5	—	—	—	—	$260⅛
IBM	$280	¾	3	6¼	4	9½	1	$260⅛
KLM	F150	—	—	8	37	13	92	F144
KLM	F160	2.80	16	7	48	9.50	48	F144
KLM	F170	1.10	20	3.90	11	8.10	9	F144
KLM	F180	0.50	18	3.50	9	6	3	F144
KLM	F190	—	—	2.80	11	6	2	F144
KLM	F200	0.10	5	2	3	2.50	8	F144
KLM	F220	—	—	1.50	5	1.80	5	F144
Nat Ned	F100	4	5	—	—	9	8	F103.10
Nat Ned	F110	—	—	—	—	4.50	3	F103.10
Nat Ned	F120	—	—	—	—	1.50	10	F103.10
PHI	F25	1.60	102	3	125	3	3	F26.30
PHI	F27.50	0.20	5	0.80	30	1.50	10	F26.30
R.D.	F120	10.50	10	12	4	12.50	30	F130.60
R.D.	F130	1.70	94	4.70	12	—	—	F130.60
R.D.	F140	—	—	1.70	2	2.70	19	F130.60
Unilever	F110	—	—	10.50	23	—	—	F120
Unilever	F120	1	1	—	—	5.10	10	F120
Unilever	F130	—	—	1.20	20	—	—	F120

Series		Aug. Last	Aug. Vol.	Nov. Last	Nov. Vol.	Feb. Last	Feb. Vol.	Stock
GNY	$20	—	—	3⅛	2	—	—	$22¼

BASE LENDING RATES

Bank	Rate
A.B.N. Bank	10 %
Allied Irish Banks Ltd.	10 %
American Express Bk.	10 %
Amro Bank	10 %
A P Bank Ltd.	10 %
Henry Ansbacher	10 %
Banco de Bilbao	10 %
Bank of Credit & Cmce.	10 %
Bank of Cyprus	10 %
Bank of N.S.W.	10 %
Banque Belge Ltd.	10 %
Banque du Rhone	10½%
Barclays Bank	10 %
Barnett Christie Ltd.	11 %
Bremar Holdings Ltd.	11 %
Brit. Bank of Mid. East	10 %
■ Brown Shipley	10 %
Canada Perm't. Trust	10 %
Capitol C & C Fin. Ltd.	10 %
Cayzer Ltd.	10 %
Cedar Holdings	10½%
■ Charterhouse Japhet	10 %
Choulartons	10 %
C. E. Coates	11 %
Consolidated Credits	10 %
Co-operative Bank	*10 %
Corinthian Securities	10 %
Credit Lyonnais	10 %
The Cyprus Popular Bk.	10 %
Duncan Lawrie	10 %
Eagil Trust	10 %
English Transcont.	10 %
First London Secs.	10 %
First Nat. Fin. Corpn.	11 %
First Nat. Secs. Ltd.	11 %
■ Antony Gibbs	10 %
Greyhound Guaranty	10 %
Grindlays Bank	‡10 %
■ Guinness Mahon	10 %
■ Hambros Bank	10 %
■ Hill Samuel	§10 %
C. Hoare & Co.	†10 %
Julian S. Hodge	11 %
Hongkong & Shanghai	10 %
Industrial Bk. of Scot.	9 %
Keyser Ullmann	10 %
Knowsley & Co. Ltd.	12 %
Lloyds Bank	10 %
London Mercantile	10 %
Edward Manson & Co.	11½%
Midland Bank	10 %
■ Samuel Montagu	10 %
■ Morgan Grenfell	10 %
National Westminster	10 %
Norwich General Trust	10 %
P. S. Refson & Co.	10 %
Rossminster Accept'cs	10 %
Royal Bk. Canada Trust	10 %
Schlesinger Limited	10 %
E. S. Schwab	11½%
Security Trust Co. Ltd.	11 %
Shenley Trust	11 %
Standard Chartered	10 %
Trade Dev. Bank	10 %
Trustee Savings Bank	10 %
Twentieth Century Bk.	11 %
United Bank of Kuwait	10 %
Whiteaway Laidlaw	10½%
Williams & Glyn's	10 %
Yorkshire Bank	10 %

■ Members of the Accepting Houses Committee.
* 7-day deposits 7%, 1-month deposits 7½%.
† 7-day deposits on sums of £10,000 and under 6½%, up to £25,000 7¼% and over £25,000 7½%.
‡ Call deposits over £1,000 7%.
§ Demand deposits 7½%.

Indices

NEW YORK—DOW JONES

	June 28	June 27	June 26	June 23	June 22	June 21	1978 High	1978 Low	Since compilat'n High	Since compilat'n Low
Industrial	819.91	817.31	812.28	826.02	827.70	824.95	866.51 (6/6)	742.12 (28/2)	1051.70 (11/1/73)	41.22 (2/7/32)
H'me Bn'ds*	87.55	87.46	87.52	87.59	87.63	88.51	90.88 (4/1)	87.46 (27/6)	—	—
Transport	218.69	217.33	216.40	219.61	220.05	218.88	251.55 (6/6)	199.31 (9/1)	279.88 (7/2/69)	13.23 (8/7/32)
Utilities	104.65	104.50	104.19	104.63	104.60	104.26	110.98 (5/1)	102.84 (22/2)	165.32 (20/4/69)	10.58 (28/4/42)
Trading vol. 000's†	23,260	29,280	29,250	28,550	27,160	28,100	—	—	—	—

*Basis of index changed from August 24

	June 23	June 16	June 9	Year ago (approx.)
Ind. div. yield %	5.68	5.58	5.43	4.83

STANDARD AND POORS

	June 28	June 27	June 26	June 23	June 22	June 21	1978 High	1978 Low	Since Compilat'n High	Since Compilat'n Low
‡Industrials	105.40	104.82	104.49	105.90	106.41	106.15	110.99 (6/6)	96.52 (6/3)	134.64 (11/1/73)	3.52 (30/6/32)
§Composite	95.40	94.98	94.60	95.85	96.24	96.01	100.32 (6/6)	86.90 (6/3)	125.85 (11/1/73)	4.40 (1/6/32)

	June 22	June 14	June 7	Year ago (approx.)
Ind. div. yield %	5.07	4.90	4.86	4.37
Ind. P/E Ratio	9.11	9.44	9.51	10.22
Long Govt. Bond yield	8.52	8.44	8.43	7.57

N.Y.S.E. ALL COMMON

June 28	June 27	June 26	June 23	1978 High	1978 Low
55.58	55.35	55.19	55.90	56.20 (8/6)	48.37 (6/3)

Rises and Falls	June 28	June 27	June 26
Issues traded	1,867	1,886	1,898
Rises	826	638	305
Falls	585	786	1,237
Unchanged	456	462	356
New Highs	—	—	—
New Lows	—	—	—

MONTREAL

	June 28	June 27	June 26	June 23	1978 High	1978 Low
Industrial	180.88	180.38	180.82	—	185.08 (15/6)	162.19 (15/3)
Combined	189.54	189.22	189.76	—	194.00 (9/6)	170.82 (30/1)
TORONTO Composite	1,122.8	1120.5	1125.7	1128.5	1149.0 (15/6)	998.2 (30/1)
JOHANNESBURG Gold	225.4	221.8	222.2	225.9	224.9 (21/6)	185.0 (20/4)
JOHANNESBURG Industrial	238.4	238.8	239.3	239.8	242.2 (20/6)	194.9 (15/3)

	June 28	Previous	1978 High	1978 Low
Australia (¶)	492.78	493.29	501.34 (13/6)	441.19 (1/5)
Belgium (‖)	94.86	94.72	101.16 (4/5)	90.43 (25/5)
Denmark (**)	94.63	94.35	98.13 (3/1)	94.00 (6/2)
France (††)	66.9	66.5	71.2 (30/5)	47.5 (5/2)
Germany (‡‡)	790.9	789.9	812.7 (10/2)	759.4 (17.5)
Holland (§§)	83.6	84.0	87.0 (9/6)	76.0 (4/4)
Hong Kong (¶¶)	544.85	541.04	562.31 (19/6)	383.44 (13/1)
Italy (‖‖)	61.67	61.74	64.35 (22.5)	55.45 (10/1)
Japan (a)	414.92	412.18	416.11 (19/6)	364.04 (4/10)
Singapore (b)	336.99	331.76	332.77 (23/6)	262.0 (1/6)
Spain (d)	101.96	101.99	110.76 (9/6)	87.58 (17/3)
Sweden (e)	377.52	377.64	397.95 (3/6)	325.74 (3/1)
Switzerl'd (f)	293.8	293.0	316.99 (23/6)	279.0 (25/4)

Indices and base dates (all base values 100 except NYSE All Common — 50 Standards and Poors — 10 and Toronto 300-1,000, the last named based on 1975). † Excluding bonds. ‡ 400 Industrials. § 400 Inds., 40 Utilities, 40 Finance and 20 Transport. (¶) Sydney All Ord. (‖) Belgian SE 31/12/63. (**) Copenhagen SE 1/1/73. (††) Paris Bourse 1961. (‡‡) Commerzbank Dec., 1953. (§§) Amsterdam Industrial 1970. (¶¶) Hang Seng Bank 31/7/64. (‖‖) Milan 2/1/73. (a) Tokyo New SE 4/1/68. (b) Straits Times 1966. (c) Closed. (d) Madrid SE 30/12/77. (e) Stockholm Industrial 1/1/58. (f) Swiss Bank Corp. (u) Unavailable.

WEDNESDAY'S ACTIVE STOCKS

	Stocks traded	Closing price	Change on day
Sears Roebuck	484,300	23¾	+⅛
Ramada Inns	397,100	8	—
Standard Brands	291,200	25¼	+¼
Arlen Realty	275,500	4½	+¼
Cont. Illinois	229,000	23⅛	−⅛
Continental Foods	224,400	23½	−⅛
East. Airlines	218,800	12⅞	+⅛
Squibb	214,700	34¼	+¼
Whirlpool	206,100	22	—
AMF	204,000	18⅝	+⅛

AUSTRALIA

June 28	Aust. $	+ or —
ACMIL (25 cents)	†0.63	......
Acrow Australia	†0.84	......
Allied Mng. Trdg. Inds. $1	†2.16	+0.02
Ampol Exploration	†1.25	......
Ampol Petroleum	†0.82	—0.01
Assoc. Minerals	†1.15	......
Assoc. Pulp Paper $1	†1.26	......
Assoc. Con. Industries	†1.62	......
Aust. Foundation Invest.	†1.0	—0.05
A.N.I.	†1.55	......
Audimco	†0.40	......
Aust. Oil & Gas	†0.48	—0.02
Bamboo Creek Gold	†0.22	—0.03
Blue Metal Ind.	†1.11	+0.01
Bougainville Copper	†1.25	......
Brambles Industries	†1.32	......
Broken Hill Proprietary	†6.82	—0.12
BH South	‡1.20	—0.01
Carlton United Brewery	†1.76	......
C. J. Coles	†2.05	+0.02
CSR ($1)	†2.98	......
Cockburn Cement	†1.30	......
Cons. Goldfields Aust.	†5.25	......
Container ($1)	‡2.35	—0.02
Conzinc Riotinto	†2.50	......
Costain Australia	†1.54	+0.04
Dunlop Rubber ($1)	†1.38	+0.01
ESCOR	:0.90	......
Elder-Smith	†2.22	+0.02
E.Z. Industries	†2.40	—0.05
Gen. Property Trust	†1.56	......
Hamersley	†2.40	......
Hooker	†0.72	+0.01
ICI Australia	‡2.20	......
Inter-Copper	:0.28	......
Jennings Industries	†1.15	......
Jones (David)	‡1.20	......
Lennard Oil	†0.19	......
Metals Exploration	†0.31	+0.01
MIM Holdings	†2.10	......
Myer Emporium	†1.75	+0.08
News	†2.22	+0.02
Nicholas International	†0.82	+0.02
North BrokenH'dings (50c)	†1.30	—0.05
Oakbridge	†1.79	......
Oil Search	†0.11	......
Otter Exploration	†0.56	......
Pioneer Concrete	†1.56	......
Reckitt & Colman	†2.85	+0.05
H. C. Sleigh	†0.72	+0.02
Southland Mining	†0.31	—0.01
Spargos Exploration	†0.32	—0.02
Tooth (S)	†1.88	......
Waltons	†0.88	......
Western Mining (50 cents)	†1.60	—0.01
Woolworths	†1.61	+0.01

PARIS

June 28	Price Frs.	+ or —	Div. Frs.	Yld. %
Rente 4½	747.0	+1.4	4½	0.6
Afrique Occid't'e	360	—15	21.15	5.9
Air Liquide	287.5	—1.0	16.5	5.7
Aquitaine	491	+3	28.25	5.4
BIC	491	+3	15.35	2.9
Bouygues	805	+14	42	5.2
B.S.N. Gervais	495	—15	40.5	8.1
Carrefour	1,500	—10	75	5.0
C.G.E.	336	—1	31.5	9.4
C.I.T. Alcatel	1,080	+27	76.50	7.1
Cie Bancaire	310.5	+6.5	12	3.8
Club Mediter	379	—6	11.25	3.0
Credit Com. Fr'ce	120	+1.1	12	10.0
Creusot Loire	71.6	+0.8	—	—
Dumez	706	+6	33.75	4.8
Fr. Petroles	140.9	+4.9	14.10	10.0
Gen. Occidentale	187	......	8.25	4.5
Imetal	60.1	+0.4	5.7	9.5
Jacques Borel	112.9	+0.9	—	—
Lafarge	191.1	—1.4	16.77	8.7
L'Oreal	744	+4	15.97	2.2
Legrand	1,610	+10	38.75	2.3
Maisons Phenix	480xc	+5	39.5	8.3
Michelin "B"	1,243	+18	32.55	2.6
Moet Hennessey	486	—4	12.6	2.7
Moulinex	145.5	—0.5	3	2.0
Paribas	158.9	—0.6	18.35	12.6
Pechiney	97.5	—0.3	7.6	7.7
Pernod-Ricard	251	+2	7.5	3.0
Peugeot-Citroen	359.1	—1.9	17.25	4.8
Poclain	168	+2	—	—
Radio Technique	415	+11	25	6.5
Redoute	544	+6	27	5.0
Rhone Poulenc	95	+1.5	9	9.4
St. Gobain	134.3	+0.1	14.55	10.8
Skis Rossignol	1,560	+10	39	2.4
Suez	249.5	+3.5	26.5	10.2
Telemecanique	727	+3	26.5	3.5
Thomson Brandt	194.5	+6.4	15.15	7.8
Usinor	21	......	—	—

STOCKHOLM

June 28	Price Krone	+ or —	Div. Kr.	Yld. %
AGA Ab (Kr.50)	208	+1	6.5	2.6
Alfa Laval B (Kr50)	144	......	5	3.4
ASEA (Kr.50)	81	—0.5	5	6.2
Atlas Copco (Kr25)	125	+1	6	4.8
Billerud	68.0	—1.5	4	5.9
Bofors	115	......	4	3.5
Cardo	204	—3	5.75	2.8
Cellulosa	236	—1	10	4.4
Elect'lux 'B' (Kr50)	142	......	6.3	4.4
Ericsson 'B' (Kr50)	138	—1	5	4.5
Esselte "B"	280	......	8	2.8
Fagersta	94	+2	4	4.3
Granges (free)	53	+1	—	—
Handlesbanken	336	+1	16	4.7
Marabou	100	......	8	8.0
Mo Och Domsjo	83.5	—0.5	—	—
Sandvik A.B.	259	—1	5.75	2.2
S.K.F. 'B' Krs	62	—1.5	4.5	7.3
Skand Enskilda	183	—1	8	5.2
Tandstik 'B' Kr50	71	—1.5	5	7.0
Uddeholm	56	+1.5	—	—
Volvo (Kr. 50)	67.5	+0.5	5	8.9

BRAZIL

June 28	Price Cruz	+ or —	Div. Cruz	Yld. %
Acesita OP	0.99	—0.16	0.12	12.12
Banco do Brazil	2.03	—0.02	0.17	8.37
Banco Itau	1.36	+0.02	0.37	27.41
Belgo Mineira OP	2.19	[illegible]	0.08	3.65
Lojas Amer. OP	3.15	+0.02	0.20	6.35
Petrobras PP	3.25	+0.05	0.13	4.00
Pirelli	1.45	......	0.15	11.03
Sousa Cruz OP	2.65	—0.05	0.23	6.30
Unip PE	5.10	—0.05	0.25	4.90
Vale Rio Doce PP	1.20	......	0.18	15.00

Turnover: Cr115.1m. Volume 52.7m
Source: Rio de Janeiro SE.

OSLO

June 28	Price Kroner	+ or —	Div. %	Yld. %
Bergen Bank	93	......	9	9.7
Borregaard	65.00	......	—	—
Creditbank	106.0	—0.5	11	9.4
Kosmos	230.0	—2.5	20	8.7
Kreditkassen	103.5	+0.5	11	10.6
Norsk Hydro Kr.80	172.5	—1.5	12	3.6
Storebrand	85.0	—2.5	7	10.6

JOHANNESBURG

MINES

June 28	Rand	+ or —
Anglo American Corpn.	5.55	+0.10
Charter Consolidated	‡3.50	+0.10
East Driefontein	12.95	+0.12
Elsburg	1.80	—0.02
Harmony	6.30	+0.05
Kinross	6.30	+0.30
Kloof	9.20	+0.05
Rustenburg Platinum	1.36	—0.02
St. Helena	15.00	+0.25
Southvaal	8.60	
Gold Fields SA	28.40	+0.40
Union Corporation	4.78	—0.02
De Beers Deferred	6.83	—0.02
Blyvooruitzicht	5.85	+0.05
East Rand Pty.	[illegible]	
Free State Geduld	27.75	+0.50
President Brand	†15.85	
President Steyn	†11.80	+0.10
Stilfontein	4.65	+0.10
Welkom	4.75	
West Driefontein	38.25	+0.35
Western Holdings	†32.35	+0.25
Western Deep	†13.90	—0.10

INDUSTRIALS

	Rand	+ or —
AECI	2.60	—0.10
Anglo-Amer. Industrial	9.90	—0.10
Barlow Rand	3.95	—0.02
CNA Investments	1.75	
Currie Finance	0.72	+0.01
De Beers Industrial	‡10.50	
Edgars Consolidated Inv.	2.20	
Edgars Stores	26.50	+0.25
EverReady SA	1.70	
Federale Volksbeleggings	1.80	
Greatermans Stores	12.20	—0.05
Guardian Assurance (SA)	1.82	
Huletts	1.90	
LTA	2.00	+0.05
McCarthy Rodway	[illegible]	
NedBank	2.65	
OK Bazaars	7.20	
Premier Milling	5.90	+0.05
Pretoria Cement	3.25	+0.05
Protea Holdings	1.20	
Rand Mines Properties	3.20	—0.05
Rembrandt Group	3.75	—0.05
Retco	0.39	+0.01
Sage Holdings	1.35	
SAPPI	2.32	
C. G. Smith Sugar	5.05	+0.05
SA Breweries	1.39	—0.01
Tiger Oats and Natl. Mlg.	10.00	
Unisec	1.17	+0.01

Securities Rand $U.S.[illegible]
(Discount of 36.74%)

SPAIN ♥

June 28	Per cent	+ or —
Asland	129	—2
Banco Bilbao	297	—
Banco Atlantico (1,000)	236	+1
Banco Central	300	—
Banco Exterior	263	—1
Banco General	287	—
Banco Granada (1,000)	154	—
Banco Hispano	218	—
Banco Ind. Cat. (1,000)	176	—4
B. Ind. Mediterraneo	209	—
Banco Popular	230	—
Banco Santander (250)	312	—
Banco Urquijo (1,000)	260	—
Banco Vizcaya	225	—
Banco Zaragozano	252	+2
Bankunion	156	—
Banus Andalucia	205	—
Babcock Wilcox	29	—
CIC	82	—
Dragados	276	—
Inmobanif	78	—
E. I. Aragonesas	55.50	+2
Espanola Zinc	102	—
Expl. Rio Tinto	93.50	+2.50
Fecsa (1,000)	70.75	+0.50
Fenosa (1,000)	73.75	—
Gal. Preciados	76	—
Grupo Velazquez (400)	165	—
Hidrola	63.75	—0.25
Iberduero	67	+0.75
Olarra	116	+2
Papeleras Reunidas	70	+1
Petroliber	122	—
Petroleos	189	—1
Sarrio Papelera	56.50	+0.50
Sniace	58	+1
Sogefisa	130	—
Telefonica	86.50	—
Torras Hostench	99	—
Tubacex	103.50	+0.25
Union Elec.	69.25	—0.75

UK share farming study urged

By Our Commodities Staff

BRITAIN SHOULD study the potential benefits of share farming, the Centre for Farm Management said in evidence to the Northfield Committee.

The centre, part of the British Institute of Management, said that it would welcome increased opportunities for share farming along the lines already practised successfully in New Zealand.

It also warned the committee, which is studying the pattern of land ownership in Britain, that if personal taxation were maintained at present levels, preventing would-be farmers from accumulating enough money to buy farms, the existence of the traditional owner-occupier farmer might be jeopardised.

The centre said that it favoured more partnerships between managers and landowners "to help provide involvement and a sense of security for the individual on the one hand, and continuity of the enterprise for the owner on the other.

"Opportunities for partnership are on the increase for managers with a proven record of successful farm management, but the opportunities remain rather limited due to present legislation covering security of tenure and hereditary tenancies."

Farmers 'losing 12p on every dozen eggs'

By Robin Reeves, Welsh Correspondent

BRITISH EGG producers face their heaviest losses for years, according to Mr. T. Myrddin Evans, president of the Farmers' Union of Wales.

He told a meeting in Aberystwyth that since the beginning of the year average packer-to-producer prices had slumped 10p a dozen. The cost of feed for producers had meanwhile increased £10 a tonne.

Egg producers were now losing 12p on every dozen eggs sold as the result of a savage cost-price squeeze which would inevitably lead to a cut back in the country's laying and rearing flocks.

Mr. Evans, an egg farmer himself, urged the eggs authority to give serious consideration to a hen culling scheme if the position did not improve.

There was some hope, however, that housewives might appreciate that eggs were now a bargain, so *that retail sales would be stimulated* to take up the surplus.

Wheat pact negotiators 'will meet deadline'

BY JOHN EDWARDS, COMMODITIES EDITOR

THE INTERNATIONAL Wheat Council was confident yesterday that the basic terms of a new International Wheat Agreement will be hammered out in time to meet a July 12 deadline set by delegates at the Multilateral Trade Negotiations which conclude in Geneva on July 15.

The wheat pact talks were suspended on Thursday last week to give participating countries time to go back for further consultations.

But they restart on July 7—an unusual date to start since it is a Friday—in an attempt to finalise the new round of discussions by July 12.

The wheat pact talks are closely linked with the Multilateral Trade Negotiations since they are part of the overall agricultural package, which influences the negotiations on trading in industrial products.

However, there are still several stumbling blocks to be overcome before there is any chance of a new international agreement being settled at the full-scale negotiating conference due to be held in September.

Some of the main disputes that made agreement impossible during the six-week negotiating conference in the spring have now been resolved. The EEC is taking a much softer line on its demand for coarse grains — maize, barley and sorghum—to be included with wheat in an overall grains agreement.

Although still arguing that wheat and coarse grains are too closely linked to be dealt with separately, the EEC has conceded that it will be content with the setting up of definite arrangements which will ensure that consultations take place in the event of certain developments affecting supply and demand of coarse grains.

It is also understood that the differences between the U.S. and the EEC over fixed minimum and maximum prices have been resolved with the replacement of "notional" prices at which action is triggered off.

The actual levels, however, *have yet to be agreed.*

There is still considerable disagreement and confusion over the size of reserve stocks of wheat to be maintained, over and above working stocks.

The EEC believes that 15m tonnes should be enough, and that, anyway, there are unlikely to be firm commitments above that level, while other countries maintain that 30m tonnes is needed.

This leads on to the other main sticking point—supply assurances demanded by importing countries. In the event of a shortage importing members would like a guarantee that their normal requirements will be met whatever happens—or at least that they will be given priority at reasonable prices over non-member countries.

Even more troublesome is the problem of managing the reserve stocks, creating the storage capacity required especially in developing countries and most important deciding who is going to pay these costs, and the potentially huge bill of acquiring the reserves and financing them.

Nevertheless, it is felt that since the Multilateral Trade Negotiations could be torpedoed by the failure to reach agreement on wheat, there will be considerable pressure to resolve the outstanding differences on countries that might normally take a more firm stance.

Poor response to milk offer

BY CHRISTOPHER PARKES

ONLY ABOUT half Britain's eligible schoolchildren seem likely to get free milk under the EEC subsidy scheme for 7 to 11-year-olds approved at the Common Market farm price review last month.

Angry farmers have renewed their pressure on reluctant local education authorities, and the National Dairy Council, which represents all factions in the milk industry, has sent a leaflet explaining the benefits of the scheme to all MPs and members of the House of Lords.

Early assessments of the response to the offer show 18 local authorities willing to take it up, but 22 rejecting it—mainly on grounds of cost and the difficulty of persuading teachers to supervise distribution.

Among those councils accepting the offer, several are preparing to give milk for the two terms during which all the cost is borne by the EEC subsidy and then to review their position in March when they should have to start making a contribution of 1p to 1½p on every ⅓ pint bottle.

In Cornwall, where the county education committee decided against extending free milk to children up to 11, the local National Farmers' Union has launched a campaign to overturn the decision at the full county council meeting next month.

Mr. Fred Hain, the farmers' leader, has asked to see the chairman of the council. "They don't seem to have understood the scheme," he said.

"Extending free milk would cost the county council nothing for the first two terms. Even after that, the council's contribution will come to only 1p per child per day."

Officials of the south eastern branch of the National Farmers' Union have approached the chief executive and the leader of the Greater London Council claiming it is "essential" that children should be given free milk.

Kent, Surrey, West Sussex and Hampshire councils are understood to have rejected the idea of extending free milk to older junior school children.

The union points out that two-thirds of the subsidy coming from the Common Market was contributed by dairy farmers in the form of the co-responsibility levy on milk delivered to creameries.

At the Department of Education and Science, which will administer the scheme, only six formal replies have been received so far to the offer. The London boroughs of Hillingdon and Richmond have accepted while the county councils of Kent, Shropshire, Cambridgeshire and Dorset have said no.

Officials pointed out that a complete tally would not be available for some time. Councils have until September to make up their minds.

The National Dairy Council, which has already publicised the scheme through popular Press advertising and is now lobbying Members of Parliament, is also planning to extend its publicity campaign.

Farmers are particularly eager to have the free milk programme adopted because they fear that declining sales of liquid milk threaten their incomes.

Low prices paid by dairies for milk processed into butter and cheese are normally bolstered by the higher income from the more profitable liquid market.

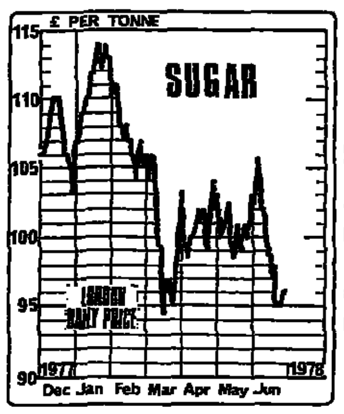
Liquid sales, however, are now declining steadily and any opportunity to slow the trend will be seized by the farming community.

Surprise at U.S. sugar allegation

By Our Commodities Staff

EEC AGRICULTURE officials said yesterday that they were surprised at allegations that Common Market sugar is being dumped on the U.S. market. Community prices are considerably higher than world market prices and export subsidies only bring prices down to world levels, EEC Commission officials said.

The U.S. Treasury announced on Tuesday that it was investigating complaints by beet sugar producers in Michigan that 50,000 tonnes of Community sugar being landed in Savannah, Georgia, was being "dumped." If the complaints are found to be valid the Treasury may impose countervailing duties to negate the effect of EEC export subsidies.



If EEC sugar is being dumped on the U.S. market it can only mean that traders are accepting a lower than customary profit margin, the Commission officials commented.

At yesterday's EEC sugar export tender in Brussels export rebates of 25,825 units of account per 100 kilos were granted on 35,250 tonnes of white sugar.

Though yesterday's total was higher than the previous week's it was still somewhat lowe rthan the 40,000 to 60,000 tonnes of sugar which has been authorised for export each week for most of the current season. London sugar market sources said this was because traders were finding it increasingly difficult to put together sufficiently large parcels of sugar as the season nears its end.

They said about 74,000 tonnes of EEC whites remain to be exported so if sales continue at the current levels the 1977-78 crop surplus should be virtually cleared within two or three weeks.

Prices were little changed on the London sugar futures market yesterday with the October position closing £1.65 lower at £99.625 a tonne.

SOLOMON ISLANDS

Staking its claim in the fishing boom

BY IRENE HAWKINS

THE HUNDREDS of foreign fishing boats which now roam unrestricted through the South Pacific in pursuit of valuable skipjack tuna may not be able to do so much longer.

About A$400m worth of fish — a large part of it skipjack tuna — is caught every year in South Pacific waters, with most of the benefit going to fishing vessels from Korea, Taiwan and Japan and to foreign canners, above all the two big U.S. canneries in American Samoa.

After several months of stonewalling the U.S. appears to have changed its view on the controversial issue of controlling the fishing of highly migratory species within the 200-mile zone. It now seems prepared to join a regional management scheme.

This should mean that the proposed regional fisheries agency, with headquarters in Honiara, the capital of the Solomon Islands, will be able to give licences for fishing and lay down conservation regulations for the fish that matter most in the region—skipjack and other tuna fish.

Long season

The Solomon Islands, whose waters are a much favoured fishing ground for foreign boats — there are reputed to be 400 Japanese boats alone operating in its waters — stands to gain especially. With islands scattered over more than 1,000 miles, its fishing zone is particularly large, measuring about ½m square miles In addition its tuna fishing season stretches over eight months instead of four as in Fiji, for example.

Unlike most other South Pacific island communities, which have watched, powerless, the exploitation of one of their main assets by foreign fishermen, the Solomon Islands has already secured a stake in the foreign fishing operations through a joint skipjack tuna fishing and processing company formed with the big Japanese Taiyo Fisheries Company.

Fiji runs a substantial canning operation in co-operation with some Japanese investors and a big cannery is expected to be built in Papua-New Guinea this year, but so far the Solomon Taiyo company is the only successful joint venture embracing both catching and processing in the South Pacific. The joint venture agreement has become a model for other South Pacific countries anxious to secure similar deals.

In return for investment of about A$ 5.5m since 1973 in canning and freezing equipment as well as several fishing boats, Solomon Taiyo, in which the Solomon Island Government has a free 25 per cent stake—has obtained exclusive fishing rights within the 12-mile limit.

So far the company owns only four fishing boats out of a total fleet of 20. The remainder are chartered and manned with a mixed crew of Okinawans and Solomon Islanders. The company's main operation is at Tulagi, the pre-war capital of the Solomon Islands, where a fairly modest cannery, built from second-hand Japanese equipment, processed about 2,000 tonnes of raw fish (about two thirds of capacity) last year.

Nearly three-quarters of this was exported to Britain, with Germany developing into an important, second market. Three-quarters of all skipjack landed at Tulagi, as well as of catches delivered to the second base at Noro in the Western Solomons was exported frozen—mostly to U.S. canneries in American Samoa, Puerto Rico and the U.S. mainland, with a small amount also going to Japan.

While the shortage of raw fish has kept prices up, the company has preferred to sell frozen rather than canned fish. It is planning to increase its canning capacity substantially, however, with a second, modern factory at Noro. The new cannery, for which a feasibility study will be undertaken next year, will be at least three times the size of the Tulagi plant.

Capacity

Fiji is aiming to increase its canning capacity from the present 15 tons a day to 35 tons by 1980. Some observers fear, however, that there may be a glut of canned tunafish on the European market in the next few years, as former British colonies like Fiji and the Solomon Islands take advantage of their duty-free market access under the Lomé Convention. An import duty of 35 per cent makes exporting to the U.S., the world's largest consumer of tuna, virtually impossible.

Solomon Taiyo's importance to the Solomon Islands' economy has been growing by leaps and bounds in line with the rather marked fluctuations in catches These—and exports—have trebled between 1973 and 1976, and this year the company hopes to exceed its 1976 record.

The catch per boat per day at sea has risen from 3.35 tons to 4.52 tons in the same period. In both 1976 and 1977 fish topped the export table ahead of the traditional export earners, copra and timber. Last year fish accounted for 28 per cent of all exports.

Freezer boats

Provided that the present trials prove successful, Solomon Taiyo will open up a third fishing base in the Shortlands, in the northern part of the archipelago, this year. A three-year pilot project for longline fishing of tuna and tuna types will introduce a fishing technique hitherto unknown in the Islands. It is hoped that this will tap the rich resources of big-eye and yellow-fin tuna in the deeper layers of the Solomon waters. These types of fish fetch a high price in Japan on the *sashimi* (raw fish) market.

In the next few years both the fleet of fishing boats and the local stake in the fleet is to increase substantially. It is envisaged that by 1982, eleven of the 35 tuna fishing vessels should be company boats, with another 10 owned by and chartered from a National Fisheries Development Company which is to be set up. By that time, too, four preferably locally-owned freezer fishing boats should be in operation, with the rest of the fleet on charter.

Hand in hand with this build-up of a national fleet will go an extensive training programme for local fishermen who have already shown that they can stand on their own against the famous Okinawan fishermen.

Japanese expertise and aid will be very much involved in all this. As the world's second largest consumer of fish, Japan has good reason to be vitally concerned about safeguarding its access to the South Pacific fisheries industries and about their development.

COMMODITY MARKET REPORTS AND PRICES

BASE METALS

COPPER—Slightly easier in extremely subdued trading on the London Metal Exchange. Forward metal traded within a £3 band and finished around the day's low of £717, reflecting a general lack of interest and a weak dollar against sterling. Turnover: 11,050 tonnes.

Amalgamated Metal Trading reported that in the morning cash wirebars traded at £698.5, three months £719, 18.5, 18, 18.5. Cathodes, cash £693. Kerb: Wirebars, three months £718.5, 18, 18.5. Afternoon: Wirebars, cash £698, three months £718, 17.5. Cathodes, cash £693.5, three months £713.5. Kerb: Wirebars, three months £717.5, 17.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Wirebars				
Cash	698-.5	-2.25	697.5-8	-2.25
3 months	718-9	-.75	717-8	-2.25
Settl'm'nt	698.5	-2	—	......
Cathodes				
Cash	694.5-5	-1	692-3	-3.25
3 months	714-5	-.75	712-3	-2.75
Settl'm'nt	695	-1	—	......
U.S. Smt.	—	......	*66.5-68	......

TIN—Barely changed in quiet and featureless trading. After opening at £6,650 on the pre-market, reflecting news that the GSA had suspended sales of tin profit-taking and hedge selling depressed the price to £6,605 on the kerb. In the afternoon it drifted further following U.S. selling and closed at £6,580 on the late kerb. Turnover: 1,355 tonnes.

CONTRACTS & TENDERS

INTERVENTION BOARD FOR AGRICULTURAL PRODUCE

INVITATION TO TENDER

Tenders are invited for the urgent supply and delivery f.o.b. to any EEC port capable of loading the required quantity of 25,000 tonnes of soft wheat into one vessel. The soft wheat shall be delivered in bulk and loading shall commence as soon as possible, but no earlier than 23 days after submission of the tender and the tenderer shall select a loading period of at least 15 days' duration.

The allowance for the supply and transporation costs of the grain will be determined on examination of the tenders. Delivery terms embodied in a Notice of Invitation to Tender together with Tendering Forms may be obtained from Branch B (Cereals), Internal Market Division, Intervention Board for Agricultural Produce, 2 West Mall, Reading. (Tel: Reading 583626.) Tenders must be submitted by 12 noon, Wednesday, 5th July, 1978, to:

HOME GROWN CEREALS AUTHORITY
Hamlyn House, Highgate Hill
London N19 5PR

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —
High Grade	£	£	£	£
Cash	6750-60	+7.5	6715-20	+15
3 months	6650-60	+10	6620-30	+2.5
Settlem't	6760	+10	—	......
Standard				
Cash	6745-55	+7.5	6710-20	+12.5
3 months	6620-30	......	6595-6600	+5
Settlem't	6755	+10	—	......
Straits E.	$1743	+18	—	......
New York	—	......	—	......

Morning: Standard, cash £6,730, three months £6,610, 15, 20, 25, 30, 40, 35, 30. Kerb: Standard, three months £6,625, 10, 05, £6,600, 10, 15. High Grade, cash £6,730. Afternoon: Standard, cash £6,713, three months £6,610, £6,600, 05, £6,600, £6,590, 95, £6,600, £6,595. Kerb: Standard, three months £6,600, £6,595, £6,600, £6,590.

LEAD—Dull and featureless in line with other base-metals. Forward metal traded within £316 and £317.5 prior to closing at £317 on the late kerb. Turnover: 2,525 tonnes.

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	306.5-7	......	307-.5	+1.12
3 months	316-7	+.5	316.75-7	+1.12
Sett'm'nt	307	......	—	......
U.S. Spot	—	......	31-33	......

Morning: Three months £316, 16.5. Kerb: Cash £306.5. Three months £316.5.

ZINC—Easier, mainly reflecting lack of interest, with forward metal moving within narrow limits to close barely changed at £311 on the late kerb. Turnover: 2,300 tonnes.

ZINC	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£		£	
Cash	299.5-300.5	-2.75	300.5-1	-1
3 months	309.5-10	-1.75	310.5-1	-.5
S'ment	300.5-2	......	—	......
Prm. West	—	......	29-31	......

Morning: Three months £311, 10. Afternoon: Three months £310, 10.5. Kerb: Three months £311.

SILVER

Silver was unchanged at the fixing in yesterday's London bullion market, at 289.8p. The U.S. cent equivalents of the fixing levels were: spot 537.2c, up 3.2c; three-month 547.3c, up 3.3c; six-month 558.3c, up 3.2c; and 12-month 581.3c, up 3.9c. The metal opened at 288.1-290.1p (535½-537c) and closed at 288.9-289.9p (536-537½c).

SILVER per troy oz.	Bullion fixing pricing	+ or —	L.M.E. close	+ or —
Spot	289.8p	-0.8	289.95p	+0.85
3 months	297.4p	-0.7	297.35p	+0.7
6 months	305.7p	-0.8	—	......
12 months	322.6p	+1.1	—	......

LME—Turnover 88 (68) lots of 10,000 ozs. Morning: Three months 297.5, 7.9, 98. Kerb: Three months 297.7, 7.6. Afternoon: Three months 297.7, 7.6, 7.5. Kerb: Three months 297.4, 7.3, 7.2.

COCOA

Market fluctuated within a narrow range closing steadily. Gill and Duffus reported. Trading was quiet.

COCOA	Yesterday's Close	+ or —	Business Done
No.6 Con'tract			
July	1852.0-54.0	+12.5	1869.0-26.0
Sept	1815.0-16.0	+35.0	1827-1780
Dec	1771.0-73.0	+30.75	1775.0-50.0
March	1740.0-44.0	+28.5	1745.0-21.0
May	1715.-30.0	+26.5	1715-1700
July	1695.0-1705	+24.0	1705.5-1685
Sept	1670.-85	+20.0	—

Sales: 3,445 (2,468) lots of 10 tonnes.

International Cocoa Organisation (U.S. cents per pound)—*Daily* price June 27: 140.65 (141.52). Indicator prices June 28: 15-day average 135.45 (134.79); 22-day average 134.36 (134.44).

COTTON

COTTON, Liverpool—Spot and shipment sales amounted to 206 tonnes, bringing the total for the week so far to 463 tonnes. Broader demand based on steadier price levels was mainly in Latin American and African styles. F. W. Tattersall reported. Further quantities of Middle Eastern remained in request.

COFFEE

Robustas declined at the start of a quiet day's trading. Trade interest was light as the market steadied in the afternoon and at the close values were £20 to £30 higher on balance, Drexel Burnham reported

COFFEE	Yesterday's Close	+ or —	Business Done
	£ per tonne		
July	1636-1637	+31.0	1646-1584
September	1505-1507	+17.0	1510-1458
November	1405-1407	+27.0	1410-1357
January	1340-1345	+23.5	1335-1295
March	1270-1285	+20.0	1290-1250
May	1245-1255	+30.0	1245-1225
July	1210-1230	+50.0	1200-1150

Sales: 3,092 (3,283) lots of 5 tonnes.

ICO Indicator prices for June 27 (U.S. cents per pound): Colombian Mild Arabicas 188.00 (197.50); unwashed Arabicas 174.00 (same); other mild Arabicas 162.50 (162.00); Robustas 141.50 (143.00). Daily average 152.00 (152.50).

ARABICAS—Close (no business done): June 165.00-168.00, Aug. 175.00-178.00, Oct. 160.00-166.00, Dec. 146.00-153.00, Feb. 140.50-150.00, April 134.00-146.00, June 130.00-142.00.

GRAINS

LONDON FUTURES (GAFTA)—Prices opened 20p lower. Wheat initially traded 25p lower, but good buying support rallied the market and prices closed 20-30p higher. Barley saw good buying support, closing unchanged to 20p higher. ACLI reported.

	WHEAT		BARLEY	
M'nth	Yesterday's close	+ or —	Yesterday's close	+ or —
Sept.	84.70	+0.30	79.30	+0.20
Nov.	87.50	+0.25	82.05	+0.15
Jan.	90.20	-0.75	84.70	+0.15
Mar.	92.70	+0.20	87.30	+0.10
May	95.35	+0.20	89.85	—

Business done—Wheat: Sept. 84.75-84.20, Nov. 87.50-87.00, Jan. 89.90-89.75, March 92.45-92.40, May 95.35-95.05. Sales: 74 lots. **Barley:** Sept. 79.25-78.95, Nov. 82.00-81.70, Jan. 84.70-84.40, March unquoted, May unquoted. Sales: 54 lots.

IMPORTED—Wheat: CWRS No. 1 13½ per cent, June unquoted, July and August £93.50, Tilbury; U.S. Dark Northern Spring No. 2, 14 per cent, June and July £92.25, August £92.50 transhipment East Coast sellers; EEC Feed, June and July £97.50, August £96.00 East and West Coast sellers. Other grades unquoted.

Maize: U.S./French June and July £103.50, August £99.25, transhipment East Coast sellers: South African White Sept. £73.00, Liverpool: South African Yellow Sept. £72.50, Liverpool sellers.

HGCA—Ex-farm spot prices, June 28. Feed wheat: Hertford £86.40. Feed barley: Hertford £79.70.

UK monetary co-efficient for week from July 3 is expected to be unchanged.

EEC IMPORT LEVIES—Effective today, in units of account a tonne, in order current levy plus July, August and Sept. premiums, with previous in brackets: **Common wheat**—89.34, 0.17, 0.17, 0.17 (88.51, 0.50, 0.50, nil); **Durum wheat**—133.70, nil, nil, nil (same); **Rye**—88.64, nil, nil, nil (87.64, nil, nil, nil); **Barley**—83.59, nil, nil, nil (same); **Oats**—81.40, nil, nil, nil (79.63, nil, nil, nil); **Maize (other than hybrid for seeding)**—78.65, nil, nil, nil (77.99, nil, nil, nil); **Millet**—81.94, nil, nil, nil (same); **Grain sorghum**—83.60, nil, nil, nil (82.97, nil, nil, nil). **Also for flours: Wheat or mixed wheat and rye**—137.30 (136.13); **Rye**—136.31 (134.91).

EEC THRESHHOLD PRICES—The Commission set the following threshhold prices for cereal imports into the Community for the new marketing year from August 1, in units of account per tonne: Common wheat and meslin 159.40, rye 152.15, barley and maize 144.25, durum wheat 221.30, oats 138.75, buckwheat, sorghum, millet and canary seed 142, wheat and meslin flour 245.20, rye flour 237, groats and common cereal meal 264.90, groats and durum cereal meal 350.90.

JUTE

DUNDEE JUTE—Firm. Prices c and f UK for Oct.-Dec. shipment: BWB £265, BWC £254, BWD £247. Tossa BTB £266, BTC £255, BTD £248. Calcutta goods steady. Quotations c and f UK for June shipment: 10-oz 40-in £9.84, 7½-oz £7.94 per 100 yds; July, £9.94 and £7.66, Aug. £9.75 and £5.60. "B" Twills: £26.85, £26.93 and £27.43 for respective shipment periods. Yarn and cloth quiet.

RUBBER

EASIER opening on the London physical market. Unsettled throughout the day, closing quietly uncertain. Lewis and Peat reported a Malaysian godown price of 237 (240) cents a kilo nominal buyer.

No.1 R.S.S	Yest'rday's close	Previous Close	Business done
Aug	57.00-57.60	58.75-58.20	58.00-57.25
Jly-Sept	58.00-58.40	60.95-61.05	58.00
Oct-Dec	59.80-60.00	62.90-63.00	60.50-59.50
Jan-Mr.	61.80-61.90	64.40-64.45	62.60-61.50
Apr-Jne	63.50-63.55	65.85-65.90	64.55-63.20
Jly-Sept	64.75-64.80	67.25-67.50	65.10-64.80
Oct-Dec	66.10-66.20	68.70-68.75	67.00-66.90
Jan-Mar	67.60-67.65	69.95-70.00	67.60
Apr-Jne	68.90-69.05	—	69.00-68.80

Sales: 408 (342) lots of 15 tonnes and 5 (9) lots of 5 tonnes.

Physical closing prices (buyers) were: Spot 56.25p (57.5); August 57.75p (58.75); Sept. 58.25p (59.0).

SOYABEAN MEAL

Market opened 50p down, reflecting the Chicago market. Values gradually drifted lower on light liquidation in a thin volume. At the close losses ranged from £1.50-£2.00, SNW Commodities reported.

	Yesterday Close	+ or —	Business Done
	£ per tonne		
August	119.00-19.0	-1.70	120.00-19.70
October	121.10-21.0	-1.85	123.50-21.10
December	120.90-21.0	-2.15	121.70-20.90
February	121.50-22.5	-2.50	—
April	122.00-24.0	-3.00	—
August	124.10-28.0	-3.55	—

Sales: 35 (50) lots of 100 tonnes.

SUGAR

LONDON DAILY PRICE (raw sugar) £96.00 (same) a tonne cif for June-July-August shipment. White sugar daily price was fixed at £105.00 (same).

The market opened about 50 points below kerb levels after reports that Sri Lanka had cancelled their tender yesterday. Later, New York prices fell and further losses of up to 50 points occurred. Final prices were around the low points of the day, C. Czarnikow reported.

Sugar Pref. Comm. Conn.	Yesterday's Close	Previous Close	Business Done
	£ per tonne		
Aug.	97.60-97.70	99.00-99.10	99.40-97.50
Oct.	99.50-99.75	101.05-01.10	101.40-99.40
Dec.	101.60-01.75	103.70-03.25	103.40-01.50
March	109.40-09.50	110.50-10.75	111.00-09.25
May	111.80-12.00	113.10-13.25	113.50-11.50
Aug.	115.60-15.75	116.90-17.50	116.75-116.0
Oct	118.75-19.25	120.00-20.25	120.00-19.00

Sales: 1,337 (1,223) lots of 50 tonnes.

Tate and Lyle ex-refinery price for granulated basis white sugar was £242.40 (same) a tonne for home trade and £156.00 (same) for export

International Sugar Agreement: Price for June 27, U.S. cents per pound fob and stowed Caribbean port: Daily 7.04 (6.98); 15-day average 7.18 (7.25).

WOOL FUTURES

LONDON—The market was dull and featureless, Bache reported.

(Pence per kilo)

Australian Greasy Wool	Yesterd'ys Close	+ or —	Business Done
July	231.0-35.0	+0.25	—
October	240.0-41.5	......	—
December	241.0-43.0	-0.25	—
March	246.0-49.0	......	—
May	246.0-48.0	......	—
July	246.0-48.0	......	—
October	247.0-50.0	......	—
April	248.0-52.0	......	—

Sales: Nil (1) lot of 15,000 kilos.

SYDNEY GREASY—(In order buyer, seller, business, sales). Micron Contract: July 341.8, 342.0, 343.5-342.0, 29; Oct. 346.5, 347.0, 348.0-346.9, 29; Dec. 353.2, 354.0, 353.5-353.2, 8; March 356.5, 357.5, 357.0, 357.0, 5; May 361.0, 361.5, 361.2-361.0, 21; July 364.0, 364.5, 364.2-364.0, 9; Oct. 366.0, 367.0, untraded; Dec. 369.2, 369.5, 369.2-369.0, 8. Total sales: 110 lots.

MEAT/VEGETABLES

SMITHFIELD (pence per pound)—**Beef:** Scottish killed sides 56.0 to 59.0; Ulster hindquarters 73.0 to 75.0, forequarters 34.0 to 36.0; Eire hindquarters 72.0 to 75.0, forequarters 34.0 to 36.0.

Veal: English fats 66.0 to 74.0. **Lamb:** English small 62.0 to 64.0, special small* 66.0, medium 60.0 to 62.0, heavy 58.0 to 62.0. Imported frozen: NZ PL 53.5 to 54.0, PM 52.5 to 53.0.

Pork: English, under 100 lb 37.0 to 44.0, 100-120 lb 37.0 to 42.0, 120-160 lb 35.0 to 40.0.

Rabbits (skinned): English tame 63.0 to 64.0; Chinese 41.0 to 42.0; Australian 36.0 to 38.0.

* Very high quality produce in limited supply.

MEAT COMMISSION—Average fatstock prices at representative markets on June 28. **GB** cattle 71.67p per kg. l.w. (−0.31); **UK** sheep 144.7p per kg. est. d.c.w. (−6.2); **GB** pigs 62.6p per kg. l.w. (+1.1). **England and Wales**—Cattle numbers up 8.9 per cent, average price 71.70p (−0.73); Sheep down 8.0 per cent, average 144.5p (−6.9); Pigs down 11.2 per cent, average 62.6p (+1.1). **Scotland**—Cattle up 7.6 per cent, average 71.53p (+1.41); Sheep up 4.0 per cent, average 140.9p (−4.4); Pigs down 16.7 per cent, average 60.8p (−4.3).

MLC forecast rates of UK monetary compensatory amounts for week from July 3 (previous week's figures in brackets)—Fresh or chilled beef carcases 34.30p per kg. (34.30); green bacon sides £223.97 per tonne (£244.08).

COVENT GARDEN (prices in sterling per package unless stated)—Imported produce: **Oranges**—**Cypriot:** Valencia Lates 15 kilos 4.00-5.20; S. African: Navels 4.00-4.90. **Lemons**—Italian: 100/120's new crop 4.00-4.60; Spanish: Trays 1.30-1.50, large boxes 3.60-4.40; S. African: 4.50-5.50. **Grapefruit**—S. African: 27/72 3.40-4.50; Jaffa: 20 kilos 4.20-4.60. **Apples**—French: Golden Delicious 20 lb 84's 3.00-3.60, 72's 3.20-3.60, jumble boxes, per pound 0.16; W. Australian: Granny Smith 8.70; Tasmanian: Sturmer Pippins 8.20-8.50, Granny Smith 8.60; S. African: Granny Smith 8.70, White Winter Pearmain 7.40, Starking Delicious 8.20-8.40, Golden Delicious 8.20-8.60, Yorks 8.20-8.60; Chilean: Granny Smith 7.60-8.20, Starking 8.10-8.20; New Zealand: Sturmer Pippins 163 9.00, 175 9.00, Granny Smith 9.00; Italian: Rome Beauty per pound 0.16, Golden Delicious 0.16, Jonathans 0.14. **Pears**—S. African: Cartons, Packham's Triumph 9.50, Josephines 9.00. **Peaches**—Spanish: Standard trays 2.20-3.50; Italian: Standard 2.60-4.20; French: 1.70-2.60. **Grapes**—Israeli: Perlette 4.00; Cypriot: 12 lb Perlette 5.80, Cardinal 10.80. **Plums**—Spanish: 5 kilos Japs 1.20-1.40, Santa Rosa 1.50-2.40, Burbanks 2.00-2.20. **Apricots**—Spanish: 5 kilos 2.50-3.00. **Bananas**—Jamaican: Per pound 0.15.

English produce: Potatoes—Per 56 lb 2.20-2.40. **Lettuce**—Per 12 0.50, Cos 0.90, Webbs 0.70. **Rhubarb**—Per pound, outdoor 0.05. **Cucumbers**—Per tray 12/24's 0.80-1.20. **Mushrooms**—Per pound 0.40-0.50. **Apples**—Per pound Bramley's 0.10-0.20. **Tomatoes**—Per 12 lb English 2.40-2.60. **Greens**—Per crate, Kent 1.30. Cabbage 1.50. **Celery**—Per 12/18's 3.00-4.00. **Strawberries**—Per ½ lb 0.12-0.20. **Cauliflowers**—Per 12 Lincoln 1.80. **Broad beans**—Per pound 0.06. **Peas**—Per pound 0.12. **Cherries**—Per pound 0.50-0.60. **Gooseberries**—Per pound 0.20-0.22.

EEC urged to cut substitute cereal imports

PARIS, June 28.

ACTION must be taken quickly to cut EEC imports of cereal substitutes, such as manioc, because of the unfair competition they create in the market, said M. Marcel Cazale, chairman of the French Maize Producers' Association.

He said in the editorial of the Producteur Grocile Français that the EEC risked finding itself exporting 1.25m tonnes of home-grown cereals for every million tonnes of imported cereal substitutes.

The restitutions paid on the exports, and the lack of taxes on the imported substitutes would play havoc with EEC finances.

Bearing in mind the low protein content of manioc, every million tonnes imported would require 250,000 more tonnes of soyabean meal imports to make up the protein levels.

Reuter

PRICE CHANGES

Prices per tonne unless otherwise stated.

	June 28 1978	+ or —	Month ago
Metals			
Aluminium	£680	......	£680
Free market (cif)	$1,050-40	......	$1000-10
Copper cash W.Bar	£697.75	-2.25	£778.5
3 months do. do.	£717.5	-2.25	£798.75
Cash Cathode	£692.5	-3.25	£775.5
3 months do. do.	£712.5	-2.75	£793.5
Gold Troy oz.	$185.375	+0.5	$184.375
Lead Cash	£307.25	+1.125	£304.5
3 months	£316.875	+1.125	£314.125
Nickel	£2,666	......	......
Free Market (cif) (lb)	$1.85-1.95	......	$1.95-2.05
Platinum troy oz.	£153.0	......	£122
Free Market	£152.4	-0.1	£138.9
Quicksilver (76lb.)	$125-30	-2.0	$127.32
Silver troy oz.	289.8p	-0.8	299.75p
3 months	297.4p	-0.7	306.95p
Tin Cash	£6,715	+12.5	£6,515
3 months	£6,597.5	+5.0	£6,417.5
Wolfram 22.04lb cif	$152-56	+1.5	$151-55
Zinc cash	£300.75	-1.0	£320
3 months	£310.75	-0.5	£329.75
Producers	$550-600		$550-600
Oils			
Coconut (Phil.)	$670y	-10.0	$670
Groundnut	£704		£749
Linseed Crude (v)	£562	-6.0	£585
Palm Malayan	$635x	-5.0	$640
Seeds			
Copra Phillip	$480y	......	$455
Soyabean (U.S.)	$279.4	-5.0	$307
Grains			
Barley EEC			
Home Futures	£82.05	......	£83.5
Maize			
French No. 3 Am	£103.5z	......	£105.25
Wheat			
No. 1 Red Spring	£93.5	......	£98.5
No. 2 Hard Winter	......	......	......
English Milling	£105	......	£102
Cocoa shipment	£1,904	+19.0	£1,788
Future Sept	£1,816.5	+35.0	£1,726.5
Coffee Future			
Sept	£1,506	+17.0	£1,743.5
Cotton 'A' Index	71.55c	-0.6	70.9c
Rubber kilo	56.25p	-1.25	56.5p
Sugar (Raw)	£96	......	£112
Wooltops 64s kilo	283p	......	280p

* Nominal. ‡ Unquoted. s August. m June-August. n July-Sept. p July-Aug. w July. y August-Sept. z June-July. x Per ton.

INDICES

FINANCIAL TIMES

June 28	June 27	Month ago	Year ago
244.73	244.97	250.57	250.45

(Base: July 1, 1952=100)

REUTER'S

June 28	June 27	Month ago	Year ago
1488.5	1496.2	1507.4	1571.3

(Base: September 18, 1931=100)

DOW JONES

Dow Jones	June 28	June 27	Month ago	Year ago
Spot	359.14	361.21	357.21	393.30
Futures	345.70	346.24	358.72	358.22

(Average 1924-25-26=100)

MOODY'S

Moody's	June 28	June 27	Month ago	Year ago
Staple Commty	915.7	925.5	928.8	834.2

(December 31, 1931=100)

HIDES—London. Firm. 31-35½ kilos 57.9p per kilo. 26-30½ kilos 57.2p. 22-25 kilos withdrawn 64.4p. Light cows withdrawn 54.6p per kilo. No call offered

GRIMSBY FISH—Supply good, demand good. Prices a stone at ship's side unprocessed: Shelf cod £4.50-£5.20, codlings £2.80-£3.50; large haddock £4.50, medium £3.50-£5.00, small £2.70-£3.00; large plaice £4.90-£5.50, medium £4.00-£5.20; best small £5.60-£6.00; large skinned dogfish £9.00, medium £5.40; large lemon soles £6.00, medium £5.00; rockfish £2.20-£2.60; reds £2.00-£2.50; saithe £2.30-£3.00.

U.S. Markets

Copper dips sharply; coffee gains

NEW YORK, June 28.

COPPER closed sharply lower on local selling and light Commission House stop-loss selling. Precious metals eased on speculative selling in quiet markets, Bache reported. Coffee finished slightly higher on rumours of some roaster interest. Despite heavy hedge-selling, cocoa managed to finish higher on speculative buying.

Cocoa—July 139.15 (140.00), Sept. 140.10 (141.50), Dec. 138.70, March 135.90, May 132.80, July 130.25, Sept. 128.25. Sales: 967 lots.

Coffee—"C" Contract: July 162.50 (161.75), Sept. 148.01-145.25 (148.00), Dec. 127.25, March 125.50-125.00, May 123.50-124.50, July 120.25-121.00, Sept. 117.00-118.00. Sales: 360 lots.

Copper—June deleted, July 58.30 (59.20), Aug. 59.00 (59.90), Sept. 59.00, Dec. 61.20, Jan. 61.90, March 62.90, May 63.90, July 64.90, Sept. 65.90, Dec. 67.40, Jan. 67.90, March 68.90. Sales: 6,250 lots.

Cotton—No. 2: July 58.62-57.50 (58.95), Oct. 58.51-58.55 (60.45), Dec. 60.61-60.80, March 62.00-62.15, May 63.00-63.37, July 64.95-65.20, Oct. 64.40-64.60, Dec. 64.00-65.00. Sales: 9,050 bales.

***Gold**—June deleted, July 184.40 (184.90), Aug. 186.00 (186.50), Oct. 188.00, Dec. 191.90, Feb. 193.90, April 195.00, June 201.10, Aug. 204.20, Oct. 207.50, Dec. 210.60, Feb. 213.50, April 217.00. Sales: 5,138 lots.

†Lard—Chicago loose 24.50 (not available). NY prime steam 25.00 asked (not available).

‡Maize—July 247-247¼ (253¼), Sept. 249-249½ (255), Dec. 253-253½, March 260-260¼, May 263-264, July 265.

Platinum—July 242.50 (246.70), Oct. 243.50-246.00 (249.30), Jan. 248.70-248.90, April 251.70-251.90, July 249.90-255.10, Oct. 257.90-258.10, Jan. 261.20-261.40. Sales: 751 lots.

¶Silver—June deleted, July 534.70 (535.70), Aug. 538.50 (539.20), Sept. 542.20, Dec. 554.20, Jan. 558.10, March 566.40, May 575.10, July 584.00, Sept. 592.10, Dec. 606.70, Jan. 611.30, March 620.70. Sales: 16,500 lots.

Soyabeans—July 676-678 (682¾), Aug. 667-670 (674¾), Sept. 647, Nov. 629-625, Jan. 632-632½, March 639-638, May 642-638, July 641-642.

||Soyabean Meal—July 172.50-172.60 (173.80), Aug. 173.00-173.10 (174.20), Sept. 173.10-173.00, Oct. 172.00, Dec. 169.70-169.50, Jan. 169.70-169.50, March 172.00, May 172.50, July 172.10.

Soyabean Oil—July 25.10-25.05 (25.55), Aug. 24.50-24.40 (25.05), Sept. 24.00, Oct. 23.55-23.60, Dec. 22.80-22.90, Jan. 22.65-22.75, March 22.60, May 22.50, July 22.45.

Sugar—No. 11: July 7.04 (7.09), Sept. 7.13 (7.20), Oct. 7.24-7.25, Jan. 7.65-7.70, March 7.95-7.96, May 8.15-8.16, July 8.35-8.36, Sept. 8.54, Oct. 8.65. Sales: 5,410 lots.

Tin—561.50-570.00 nom. (557.50-565.00).

****Wheat**—July 310½-311 (315½), Sept. 314-315 (317½), Dec. 318-318½, March 320-320½, May 316, July 311.

WINNIPEG, June 28. **††Rye**—July 102.00 bid (105.00), Oct. 102.00 asked (104.90), Nov. 101.10 asked, Dec. 101.10, May unquoted.

††Oats—July 72.70 (72.30), Oct. 72.20 (73.50 bid), Dec. 71.60, March 71.70 bid, May 73.50.

‡‡Barley—July 73.40 bid (73.50 bid), Oct. 73.60-73.70 (73.70 bid), Dec. 73.50 bid, March 74.10 asked, May 74.70.

§§Flaxseed—July 238.00 bid (239.00 bid), Oct. 243.50 asked (244.00), Nov. 244.50 bid, Dec. 238.00, May 244.10 asked.

****Wheat**—SCWRS 13.5 per cent protein content cif St. Lawrence 161.55 (162.65).

All cents per pound ex-warehouse unless otherwise stated. *$s per troy ounce—100 ounce lots. †Chicago loose $s per 100 lbs—Dept. of Ag. prices previous day. Prime steam fob. NY bulk tank cars. ‡Cents per 56 lb bushel ex-warehouse. 5,000 bushel lots. §$s per troy ounce for 50 oz units of 99.9 per cent purity delivered NY. ¶Cents per troy ounce ex-warehouse. ||New "B" contract in $s a short ton for bulk lots of 100 short tons delivered f.o.b. cars Chicago, Toledo, St. Louis and Alton. **Cents per 60 lb bushel in store. ††Cents per 24 lb bushel. ‡‡Cents per 48 lb bushel ex-warehouse. §§Cents per 56 lb bushel ex-warehouse, 1,000 bushel lots. ¶¶$C per tonne.

Advance report of economic survey subdues equities

Interest rate worries return as U.S. levels edge higher

Option *First Dealings	Declarations	Last Dealings	Account Day
Jun. 12	Jun. 22	Jun. 23	July 4
Jun. 26	July 6	July 7	July 18
July 10	July 20	July 21	Aug. 1

* " New time " dealings may take place from 9.30 am two business days earlier.

The *level of activity in equity* markets yesterday was the lowest this year despite hopes that dividend restraint would soon be abolished and speculative interest in Insurance Brokers following the *new American bid for Leslie and* Godwin. Early indications of an extension of Tuesday's technical rally were not fulfilled as a small demand was stifled by a report suggesting that the Cambridge group's latest economic survey was extremely gloomy.

British Funds, too, were looking distinctly dull in the end. This market also failed to maintain early promise, being unsettled by another rise in U.S. short-term interest rates which led to renewed anxieties about the current structure here, particularly in view of the Government's sizeable funding programme.

Recently announced higher dividend payments by companies in the position to do so, should the current legislation be abandoned, stimulated a search for concerns with good dividend covers and GEC, which last year reported annual figures early in *July, were supported* up to 259p before a close of a net 4 dearer at 256p.

Other individual features included **Trust Houses Forte**, up 10 at 220p, after 224p, on half-yearly profits well in excess of expectations, but **Hambros**, down 9 at 176p, were depressed by talk that the group may need to bail out its Norwegian shipping interests; Hambros' fall was largely responsible for an above-average movement in the F.T.-Actuaries Merchant Bank index, down 0.6 per cent at 77.37.

Charting the course of leading Industrials, the F.T. 30-share index was at its best at the 10 a.m. calculation, but receded *thereafter from 458.2 to close a* net 1.0 lower on balance at 455.3.

Prospective buyers of Gilt-edged securities were still not convinced that the market had stabilised and talk began to revive of a possible further rise in Minimum Lending Rate. As a result, opening gains of ¼ among both the shorts and longs were surrendered and eventually replaced by falls extending to ⅜. Corporations were neglected but occasionally ended a shade easier, while *Ecclesiastical Insurance* 10 per cent Preference made its debut in recently-issued Fixed Interests at 104p before a close of 102p.

Late covering made quite an *impression on the investment* currency premium which, after spending much of the day around 109 to 109½ per cent, rose fairly quickly in thin trading to close two points higher on the day at 111 per cent. Yesterday's SE conversion factor was 0.6698 (0.6744).

After a good morning session in Traded Options when about 432 contracts were done, interest waned considerably when the equity market turned down and only 117 were added in the afternoon. Of the total, 150 deals were done in **ICI**, followed by **Grand Met** and **Cons Gold** with 93 and 86 contracts respectively, while **Marks and Spencer** met with increased demand and attracted 71 trades.

Brokers below best

Tuesday's late disclosure that Frank B. Hall, the third-largest quoted U.S. insurance broker, is to make a renewed £24m takeover bid for **Leslie and Godwin** which will gain Lloyd's approval, sparked off a flurry of early speculative activity in Insurance Brokers and gains in some cases ranged to 8. However, interest waned and the closing tone was mixed. Up 5 the previous day on speculation, **Leslie and Godwin** moved ahead to touch 118p before closing 4 up on balance at 116p. **C. E. Heath** put on 3 to 255p, after 260p, and **Hogg Robinson** closed a similar amount dearer at 181p after 184p.

A Press report suggesting that Hambros may soon be asked to launch a new rescue operation for its associated Hilmar Reksten tanker shipping business prompted nervous selling and the shares *relinquished* 9 to 176p. Elsewhere in Merchant Banks, **Leopold Joseph** improved 13 more to 210p on further consideration of the results.

Trade improved further in *Buildings*, but prices stayed around overnight levels. News items were responsible for the occasional feature and, standing 9 higher awaiting the annual results, **BPB** immediately fell on the announcement to close a net 3 down at 207p; the 5.6 per cent Preference shares were raised 35 to 90p on the proposed redemption. Disappointment with profits at the half-way stage left **Bett Brothers** 4 lower at 62p, but the *improved interim results and the* chairman's confident remarks lifted **Blundell Permoglaze** 5½ to 71p. After the previous day's rise of 5, **Econa** hardened 2 more to 73p when dealings were suspended on the announcement that discussions are taking place that may lead to an offer.

ICI improved to 374p initially but, in line with the general trend, closed 3 down on balance at 368p. Demand in a restricted market lifted **Blagden and Noakes** 8 to 236p.

Fortnum and Mason good

Secondary issues provided the *main focal points in Stores yesterday*. Renewed demand in a thin market led to a fresh jump of 45 to 725p in **Fortnum and Mason**, while persisting speculative buying on bid hopes lifted **MFI Furniture** 4 more to 102p. **H. Samuel A** found support and gained 7 to 284p in a thin market. **Wearwell** added 2¼ to 28¼p.

GEC came to the fore in Electricals, closing 4 better at 256p, after 259p, in recognition of dividend potential if restraints are lifted. **Electrocomponents** responded to the substantially increased profits with a jump of 13 to 443p, while gains of 3 were seen in **Muirhead**, 178p, and **Comet Radiovision**, 126p. **MK Electric** provided a dull contrast at 175p, *down 5*, on the profits setback. **Decca** also eased, the ordinary by 20 to 410p *and the A by 15 to 395p.*

Engineering leaders reacted from a firm start and closed mixed. **John Brown** continued to reflect last Friday's excellent results and touched 390p before closing only 2 higher on the day at 384p. Elsewhere, **Warwick** jumped 6½ more to 38p, for a two-day surge of 10½ on news that Mr. Norman Gidney is making a third attempt to acquire the out*standing 25 per cent of the capital* he does not already own. Improvements of 4 and 5 respectively were seen in **Matthew Hall**, 216p, and **Clayton Son**, 80p. A dull market of late following disappointing results, **Baker Perkins** retrieved 3 to 95p but **Edgar Allen Balfour** cheapened 2 to 58p with the cautious remarks about current-year trading outweighing details of last year's bumper profits.

Interest in Foods was *on a* selective basis with **J. Bibby** figuring prominently at 230p, up 8, on revived bid speculation. **Nurdin and Peacock** rose 4 to 74p, while **J. Lyons**, 76p, and **J. Sainsbury**, 193p, put on 3 apiece. **A. Fisher** were also notably firm at 13p, up 1¼, but **Cullen's Stores** A, at 119p, gave up 3 of the previous day's speculative advance of 14. **Hillards** moved up 5 to 218p on renewed speculative interest, but small selling clipped 3 for **Kwik Save** at 80p.

Trust Houses Forte featured Hotels and Caterers, closing 10 better at 220p, after 224p, on the better-than-expected interim statement. **Norfolk Capital** finished a penny better at 37p on the return to profitable trading in the first half.

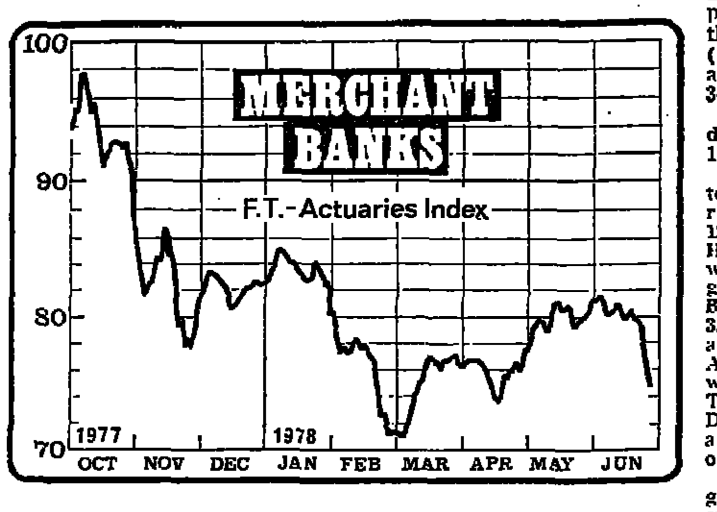
Chubb disappoint

An early attempt by Miscellaneous industrial leaders to take the previous day's technical rally a stage further proved short-lived as prices reacted in the afternoon session on reports of an imminent bearish economic survey. **Glaxo** touched 550p but closed 3 off on balance at 545p and **Beecham** ended 5 down at 633p, after 640p. *Elsewhere, a sharp contraction in* annual earnings unsettled **Chubb** which fell away to finish 14 lower at 123p, while **Harris and Sheldon** relinquished 3 to 50p, after 49p, on the announcement that bid talks which commenced with an unnamed concern in May, have been terminated. The record £18.5m Robert von Hirsch art auction continued to draw buyers to **Sotheby Parke Bernet** which *put on 6 to 287p, while* **Silentnight** added 5 more to 100p on further consideration of the chairman's optimistic remarks at the AGM. **Central and Sheerwood** improved 3½ to 62p in response to the capital proposals and the chairman's optimistic view on current-year prospects. Details of the company's capital investment plans helped **European Ferries** to harden 2½ to 124½p, while gains of 7 and 8 respectively were recorded in **De La Rue**, 347p, and **J. Crean**, 160p. **A. and R. Findlay** put on 3 to 41p in a thin market and **Halma Investments** added a similar amount to 66p following *comment on the record results* and the Board's intention to pay a 100 per cent dividend increase *if restraint is abandoned.*

In Motors and Distributors, **Godfrey Davis** hardened a penny more to 88½p on further consideration of the results, while **CGSB** held an earlier gain of 1½ at 21½p following the half-yearly report.

Renewed investment demand lifted North Sea oil favourite **Thomson** 18 to 253. **News International** improved 5 to 250p. **Publishers A. and C. Black** firmed 3 to 98p in a thin market. In Paper/Printings, **David S. Smith** gained a further 9 to 106p, after *108p, on the reconstruction proposals* and **John Waddington**, at 204p, recovered nearly all of the previous day's fall of 6.

Trading volume in Properties left much to be desired and price *changes were few.*



Oils quiet

After initial firmness, U.S. selling took **British Petroleum** down *from 848p to close* a net 4 easier at 840p. **Shell** reverted to the overnight level of 545p after 550p, but **Ultramar** held an improvement of 5 at 243p. Initially supported to 350p on reappraisals of the Brae Field estimates, **Siebens (UK)** encountered profit-taking and ended 4 down on balance at 340p.

Still reflecting Far Eastern demand, **Sime Darby** rose 6 to a 1978 peak of 97p.

Dawson International returned to favour in Textiles, the ordinary rising 5 to 127p and the A6 to 126p as bid hopes revived. **Hicking Pentecost** also featured with a rise of 11 to 96p on the good preliminary figures. **John Beales** were supported at 70p, up 3, while Carpet manufacturers had a couple of firm spots in **Stoddard** A, 28p, and **Trafford**, 30p, both of which closed 2 better. In Tobaccos, **BAT Industries** Deferred closed a penny better at 271p following Press comment on the interim report.

Rubbers closed with some good gains in the wake of Far Eastern support. **Guthrie** featured with a rise of 20 to 310p despite the *slow start the company has made* to the current year's trading. Gains of 5 or so were recorded in **Kuala Lumpur Kepong**, 78p, and **Kulim**, 56½p, while **Sungei Krian** were raised 4 to 67p.

Golds firmer

A *rally* in the bullion price, which was finally 50 cents firmer at $185.375 per ounce, coupled with the strength of the investment currency premium enabled South African Golds to move *ahead for the first* time in three trading days although business remained at a low level.

The Gold Mines index recouped 3.0 to 160.6.

Gains in the heavyweights ex*tended to ⅜ in* stocks like **Vaal Reefs**, £14⅜, **West Driefontein**, £20⅜, and **Western Holdings**, £18⅜, while lower-priced issues showed rises to 44 as in **Winkelhaak**, 723p.

South African Financials also tended to harden. **Amcoal** responded to Cape buying and closed 15 to the good at 585p, while **Anglo American Corporation** put on 7 to 322p.

After losing ground at the outset of trading reflecting a further fall in overnight Sydney and Melbourne markets Australians picked up a shade in late trading in line with the investment premium.

Continued speculative demand left **Pacific Copper** a further 4 higher at a year's peak of 50p.

In Coppers, **Messina** closed another 5 cheaper at 85p. Tins were quietly firmer.

Elsewhere, **Consolidated Murchison** jumped *25 to 260p* in late trading following rumours of a gold strike beneath the antimony ore-body.

Activity in Irish-Canadians was minimal although **Northgate** managed a 10 rise to 400p, after 410p. On the other hand, **Sabina Industries** shed 4 to 64p owing to Canadian selling.

OPTIONS

DEALING DATES

First Dealings	Last Dealings	Last Declaration	For Settlement
Jun. 20	July 3	Sep. 14	Sep. 26
July 4	July 17	Sep. 28	Oct. 10
July 18	July 31	Oct. 12	Oct. 24

For rate indications see end of Share Information Service

Money was given for the call in **Burmah Oil, Premier Consolidated Oil, Westland, Town and City Properties, MFI Furniture, Lofs, J. E. Sanger, Siebens Oil (UK), Queen's Moat Houses, English Property, Crest Nicholson,** and **H. and R. Johnson-Richards Tiles**, while doubles were arranged in **Burmah Oil, Lonrho, Brocks** and **Pacific Copper**.

Welsh agency buys restored site

BY OUR WELSH CORRESPONDENT

THE WELSH Development Agency is to buy 58 acres at Pontlottyn, Mid Glamorgan, for a new industrial estate. The land once covered in colliery waste and an iron works, has been restored at a cost of £700,000.

The agency has applied for planning permission to build two 25,000 square feet, factories and two 10,000 square feet units on the site, which eventually should be capable of providing 1,200 to 1,500 jobs.

FINANCIAL TIMES STOCK INDICES

—	June 28	June 27	June 26	June 25	June 22	June 21	A year ago
Government Secs	69.01	69.25	68.88	69.21	69.69	69.76	68.19
Fixed Interest	71.15	71.23	71.07	71.62	71.93	72.00	68.43
Industrial Ordinary	455.3	456.3	455.0	456.5	452.7	455.6	456.2
Gold Mines	160.6	157.6	159.1	161.5	161.0	164.5	108.3
Ord. Div. Yield	5.83	5.81	5.84	5.79	5.84	5.80	5.15
Earnings Y'ld%(full)(*)	17.68	17.65	16.88	16.74	16.86	16.76	15.56
P/E Ratio (net)(*†)	7.52	7.54	7.94	8.01	7.94	7.99	9.36
Dealings marked	4,018	4,470	4,394	4,436	4,898	5,057	5,002
Equity turnover £m	—	57.37	61.07	91.94	85.39	67.88	55.22
Equity bargains total	—	13,156	13,705	15,699	14,513	13,256	13,958

10 am 458.2. 11am 458.1. Noon 457.3. 1 pm 457.7.
2 pm 456.5. 3 pm 456.4.
Latest Index 01-246 8026.

* Based on 52 per cent corporation tax. † Nil=7.36.
Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Ind. Ord. 1/7/35. Gold Mines 12/9/55. SE Activity July-Dec. 1942.

HIGHS AND LOWS

—	1978 High	1978 Low	Since Compilation High	Since Compilation Low
Govt. Secs.	78.58 (3/1)	68.79 (6/6)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	81.27 (9/1)	70.73 (6/6)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	497.3 (6/1)	433.4 (2/3)	549.2 (14/9/77)	49.4 (26/6/40)
Gold Mines	168.6 (8/5)	130.3 (5/1)	442.3 (22/5/75)	43.5 (26/10/71)

S.E. ACTIVITY

	June 28	June 27
—Daily		
Gilt-Edged	135.2	166.8
Industries	133.2	143.4
Speculative	40.9	50.0
Totals	91.5	101.7
5-day Av'rage		
Gilt-Edged	146.1	181.1
Industrials	151.4	160.9
Speculative	44.5	44.1
Totals	101.1	106.9

ACTIVE STOCKS

Stock	Denomination	No. of marks	Closing price (p)	Change on day	1978 high	1978 low
Guthrie Corp.	£1	12	310	+20	322	211
BATs Defd.	25p	10	271	+ 1	296	227
ICI	£1	10	368	− 3	396	328
GEC	25p	9	256	+ 4	278	233
Shell Transport	25p	9	545	—	586	484
Trust Hses. Forte	25p	9	220	+10	224	166
BP	£1	8	840	− 4	892	720
Smith (David S.)	20p	8	106	+ 9	108	78
Sotheby Parke Bernet	25p	8	287	+ 6	298	199
Commercial Union	25p	7	141	− 2	159	138
Grand Met.	50p	7	104	+ 1	117½	87
Burmah Oil	£1	6	63	+ 1	72	42
Distillers	50p	6	174	—	187	163
GKN	£1	6	249	+ 1	286	248
RTZ	25p	6	214	—	234	164

NEW HIGHS AND LOWS FOR 1978

The following securities quoted in the Share Information Service yesterday attained new Highs and Lows for 1978.

NEW HIGHS (56)

BANKS (1)
Joseph (L.)
BEERS (1)
Morland
BUILDINGS (2)
Blundell-Permoglaze
Norwest Holst
DRAPERY AND STORES (7)
Beattie (J.) A
Bremner
Executex
MFI Furniture
Pawson (W. L.)
Waring and Gillow
Wearwell
ELECTRICALS (2)
Dowding and Mills
Electrocomponents
ENGINEERING (6)
Blackwood Hodge
Brown (J.)
Clayton Son
Elliott (B.)
Warwick Eng.
Weston-Evans
HOTELS (1)
Trust Houses Forte
INDUSTRIALS (11)
Aaronson Bros.
Barr & W. A. Tst. A
Biddle Hldgs
Central & Sheerwood
Findlay (A. R.)
Crean (J.)
Foseco Minsep
Halma
Silentnight
Sutcliffe Speakman
Turner Curzon
INSURANCE (1)
Leslie and Godwin
MOTORS (1)
Flight Refuelling
PAPER (1)
Smith (D.)
SHOES (1)
Headlam, Sims
TEXTILES (1)
Beales (J.)
TRUSTS (7)
Danae Inc.
Equity Consort Defd.
Estate Duties
G.T. Japan
Jardine Japan
Scot. European
Haw Par
OILS (1)
Century
OVERSEAS TRADERS (2)
Aust. Agric.
Sime Darby
RUBBERS (6)
Chersonese
Cons. Plants.
Highlands
Kuala Kepong
Kulim
Malakoff
TEAS (1)
Jokai
MINES (3)
St. Helena
Pacific Copper
Southern Kinta

NEW LOWS (24)

CORPORATIONS LOANS (2)
LCC 5½pc 1977-81
Warwick 12½pc 1980
BUILDINGS (3)
Benlox
Bett Brothers
Streeters
CHEMICALS (1)
Ciba Geigy 8¼pcCv. '82-95
DRAPERY AND STORES (1)
Martin The Newsagent
ELECTRICALS (1)
EMI 8½pcConv. 1981
ENGINEERING (4)
General Engineering
R.H.P.
Shakespeare (J.)
Tube Investments
FOODS (1)
Tavener Rutledge
INDUSTRIALS (4)
Abbey
Bodycote Intl.
British Syphon
Whitely (B. S. & W.)
INSURANCE (1)
Phoenix
SHIPPING (4)
Jacobs (J. I.)
LOFS
Lyle Shipping
Ocean Transport
TEXTILES (1)
Early (C.) & Marriott
OVERSEAS TRADERS (1)
Borthwick (T.)

RISES AND FALLS YESTERDAY

	Up	Down	Same
British Funds	—	76	1
Corpns. Dom. and Foreign Bonds	4	6	55
Industrials	378	241	920
Financial and Prop.	112	65	342
Oils	10	6	18
Plantation	15	1	16
Mines	53	17	56
Recent issues	6	7	20
Totals	578	421	1,428

LONDON TRADED OPTIONS

Option	Ex'rcise price	July Closing offer	July Vol.	October Closing offer	October Vol.	January Closing offer	January Vol.	Equity close
BP	750	105	—	117	—	136	—	846p
BP	800	52	—	74	—	97	4	..
BP	850	14	—	45	—	71	—	..
BP	900	2	—	23	—	50	2	..
Com. Union	140	5	—	12½	15	17	—	141p
Com. Union	160	¾	—	5	5	9	—	..
Cons. Gold	160	9	—	19	2	22	20	168p
Cons. Gold	180	1¼	—	8½	13	14	51	..
Courtaulds	100	13	—	17½	4	19	—	112p
Courtaulds	110	5	—	11	—	13	—	..
Courtaulds	120	1	—	5½	—	8½	—	..
Courtaulds	130	½	—	3½	8	5½	2	..
GEC	220	38½	—	44	—	52	—	257p
GEC	240	20	13	30	—	39	—	..
GEC	260	7½	3	18½	9	27	—	..
GEC	280	2¼	15	10½	24	18	—	..
Grand Met.	100	5½	10	10	3	14½	—	104p
Grand Met.	110	1¾	40	6	4	9½	9	..
Grand Met.	120	½	—	2½	24	6½	3	..
ICI	330	42	8	50	38	54	33	369p
ICI	360	15	46	24	5	34	5	..
ICI	390	3	10	11	5	19	—	..
ICI	420	½	—	4	—	12	—	..
Land Secs.	180	24	—	28	—	31½	3	202p
Land Secs.	200	5½	—	13½	—	17½	—	..
Land Secs.	220	¾	—	4½	—	8	—	..
Marks & Sp.	120	21½	—	26½	20	29	7	141p
Marks & Sp.	140	4½	23	11	15	15	5	..
Marks & Sp.	160	¾	—	4	—	7½	1	..
Shell	500	50	—	68	1	78	—	548p
Shell	550	11	—	31	13	48	—	..
Shell	600	1	—	12	15	24	13	..
Totals			168		223		158	

RECENT ISSUES

EQUITIES

Issue Price p.	Amount Paid Up	Latest Renunc. Date	1978 High	1978 Low	Stock	Closing Price p.	+ or −	Div. Amount	Times Covered	Gross Yield	P/E Ratio
75	F.P.	30/6	92	85	Bramall (C.D.)	85	.....	u4.5	3.1	8.0	4.5
100	F.P.	5/7	169	142	[illegible]	162	.....	u2.64	3.0	2.5	15.4
‡34	F.P.	—	37	35	Thames Plywood	35	−1	u2.0	2.3	9.2	7.2

FIXED INTEREST STOCKS

Issue Price	Amount Paid Up	Latest Renunc. Date	1978 High	1978 Low	Stock	Closing Price	+ or −
••	—	—	90p	90p	Allied Leather 9% Pref.	90p	......
••	F.P.	21/7	94p	94p	Automotive Prod. 9% Pref.	94p	−1
£98	£10	22/9	12	[illegible]	Barnet 12¼% Red. 1987	10	......
••	F.P.	14/7	97p	97p	Clive Discount 9½% Cum. Pref.	97p	......
§	Nil	7/8	9½pm	6pm	Crellon 12% Conv. Prfd. 1979—85	7pm	......
••	F.P.	7/7	98p	97p	Dewhurst (I.J.) 9½% Cum. Pref.	97p	......
100p	—	—	104p	102p	Ecclesiast'al Ins.Office10%Red2ndCum.Pref	102p	......
£100	—	—	100⅝	100	Edinburgh (City of) Var. Rate 1983	100	......
‡‡£97.55	£10	28/7	11	10¼	Essex Water 7% Red. Pref. 1983	11	......
‡	F.P.	25/8	2¼pm	1¼pm	Fairview Ests. 13.88% Deb.	1¼pm	......
••	F.P.	25/8	100½	99p	Greenfield Millett 10% Cum. Pref.	100p	+1
£99	£50	25/8	49½	46½	Greenwich (Lon. Boro. of) 11% Red. 1986	46¾	−¼
••	—	—	98p	97p	IB Holdings 10% Pref.	98p	+1
••	—	—	105p	105p	Miller (F.) 11% Pref.	105p	......
••	F.P.	21/7	90p	90p	NSS Newsagents 9% Cum. Pref.	90p	−1
‡109	F.P.	21/7	109p	104p	Robinson Bros 11% Pref.	109p	......
••	F.P.	21/7	101	97p	South St. Andrew 9½% Cum. Pref.	98p	+1
£98¼	£10	20/10	9½	8¼	Southend-on-Sea 12% Red. 1987	8¼	−¼
£99	£10	21/7	10¼	9¼	South Tyneside 12¾% Red. 1986	9¼	−¼
£98½	£50	1/9	50½	47½	Tyne & Wear 12% Red. 1984	47¾	−¼
£98¾	£25	15/9	25½	24½	West Kent Water 12% Deb. 1986	24½	......

"RIGHTS" OFFERS

Issue Price p.	Amount Paid Up	Latest Renunc. Date ●	Latest Renunc. Date ■	1978 High	1978 Low	Stock	Closing Price p.	+ or −
45	Nil	7/7	18/8	15pm	10pm	British Tar Products	10pm	......
28	Nil	—	—	6pm	5pm	Brooke Tool Eng.	5pm	......
82	Nil	7/7	18/8	22pm	12pm	Hartwells	12pm	......
108	Nil	—	—	15pm	1pm	Henlys	14pm	+2
29	Nil	3/7	28/7	15½pm	9½pm	Hyman (I. & G.)	12½pm	−½
130	Nil	—	—	21pm	15pm	Leigh Interests	15pm	−3½
92	Nil	7/7	28/7	20pm	10pm	Sketchley	17½pm	+1½
95	Nil	—	—	24pm	22pm	Securicor Group	23pm	+1
95	Nil	—	—	22pm	20pm	Do. A. N/V	20pm	......
95	Nil	—	—	25pm	23pm	Security Services	23pm	......
95	Nil	—	—	24pm	22pm	Do. A. N/V	22pm	......

Renunciation date usually last day for dealing free of stamp duty. b Figures based on prospectus estimate. *d* Assumed dividend and yield. *u* Forecast dividend: cover based on previous year's earnings. F Dividend and yield based on prospectus or other official estimates for 1979. Q Gross. † Figures assumed. ‡ Cover allows for conversion of shares not now ranking for dividend or ranking only for restricted dividends. § Placing price to public. pt Pence unless otherwise indicated. ¶ Issued by tender. ‖ Offered to holders of Ordinary shares as a "rights." ** Issued by way of capitalisation. †† Minimum tender price. §§ Reintroduced. ¶¶ Issued in connection with reorganisation merger or take-over. ‖‖ Introduction. □ Issued to former Preference holders. ■ Allotment letters (or fully-paid). ● Provisional or partly-paid allotment letters. ★ With warrants.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

EQUITY GROUPS GROUPS & SUB-SECTIONS Figures in parentheses show number of stocks per section		Wed., June 28, 1978 Index No.	Day's Change %	Est. Earnings Yield% (Max.) Corp. Tax 52%	Gross Div. Yield% (ACT at 34%)	Est. P/E Ratio (Net) Corp. Tax 52%	Tues. June 27 Index No.	Mon. June 26 Index No.	Fri. June 23 Index No.	Thurs. June 22 Index No.	Year ago (approx.) Index No.
1	CAPITAL GOODS(172)	207.83	+0.5	18.22	5.81	7.65	206.89	206.51	208.64	208.38	183.58
2	Building Materials (28)	185.01	—	18.88	5.90	7.62	184.93	184.32	186.95	187.85	153.80
3	Contracting, Construction (27)	335.42	+0.8	20.64	4.09	7.04	332.77	330.40	332.93	333.91	252.66
4	Electricals (15)	442.76	+1.1	15.54	4.12	9.12	437.93	437.18	443.25	439.65	362.35
5	Engineering Contractors (14)	307.85	+0.6	19.49	6.63	6.83	306.15	304.96	308.73	309.81	260.66
6	Mechanical Engineering(72)	167.07	+0.1	19.24	6.40	7.05	166.98	166.75	167.90	167.59	165.32
8	Metals and Metal Forming(16)	159.79	+0.3	17.96	8.81	7.59	159.31	159.94	161.02	160.99	153.72
	CONSUMER GOODS										
11	(DURABLE) (52)	191.63	+0.4	17.74	5.03	7.92	190.85	190.79	192.63	193.09	171.53
12	Lt. Electronics, Radio TV (15)	225.03	+0.4	16.09	3.83	8.76	224.21	225.35	227.66	227.71	196.18
13	Household Goods (12)	172.36	+0.4	16.95	6.55	8.15	171.68	172.73	173.42	174.53	163.95
14	Motors and Distributors (25)	121.68	+0.5	20.38	6.47	6.90	121.09	119.90	121.10	121.68	112.69
	CONSUMER GOODS										
21	(NON-DURABLE)(174)	194.94	+0.3	16.57	6.02	8.19	194.39	193.54	195.51	194.91	170.08
22	Breweries (14)	218.99	−0.3	15.58	6.17	9.13	219.69	217.54	219.71	219.11	182.33
23	Wines and Spirits (6)	247.34	+0.2	16.35	5.82	9.27	246.96	243.36	246.82	246.32	191.10
24	Entertainment, Catering (17)	247.86	+1.4	15.76	6.89	9.20	244.39	242.74	243.49	244.02	216.07
25	Food Manufacturing (21)	190.50	−0.1	20.18	5.86	6.59	190.60	189.53	191.75	191.57	175.19
26	*Food Retailing (15)*	*197.77*	*+0.6*	*14.70*	*5.12*	*9.43*	196.68	196.07	197.67	197.62	173.25
32	Newspapers, Publishing (13)	373.78	+4.6	10.69	3.32	13.35	357.37	353.23	358.47	356.27	308.44
33	Packaging and Paper (15)	130.86	−0.2	20.12	8.13	6.56	131.16	132.01	134.09	133.06	123.45
34	Stores (39)	174.86	+0.1	12.00	4.67	12.25	174.74	172.93	174.46	174.31	146.51
35	Textiles (25)	169.95	−0.4	19.46	8.14	6.68	170.69	170.69	172.90	171.46	169.52
36	Tobaccos (3)	238.87	+0.2	23.14	7.84	5.14	238.47	242.25	244.84	242.77	216.87
37	Toys and Games (6)	106.29	+1.5	19.13	5.87	6.38	104.74	104.38	104.17	104.01	101.58
41	OTHER GROUPS (97)	191.95	−0.1	16.66	5.95	7.88	192.22	190.61	192.42	191.87	181.08
42	Chemicals (19)	275.05	−0.5	18.00	6.35	7.54	276.55	272.92	275.40	273.66	258.24
43	Pharmaceutical Products (7)	249.30	−0.6	11.85	4.11	10.54	250.83	248.48	251.72	249.72	[illegible]
44	Office Equipment (6)	127.91	+0.3	18.73	5.08	6.32	127.47	127.23	127.92	128.90	99.36
45	Shipping (10)	412.57	—	17.40	7.42	7.06	412.50	411.95	414.68	414.96	485.34
46	Miscellaneous (55)	198.65	+0.5	17.70	6.60	7.60	197.66	196.66	198.43	198.74	174.98
49	INDUSTRIAL GROUP (495)	203.81	+0.2	17.08	5.88	7.95	203.35	202.44	204.46	204.03	182.55
51	Oils (5)	479.27	−0.2	15.40	4.12	7.04	480.42	478.56	483.19	474.81	514.80
59	500 SHARE INDEX	226.61	+0.2	16.82	5.61	7.80	226.27	225.25	227.51	226.48	209.25
61	FINANCIAL GROUP(100)	156.51	−0.3	—	6.06	—	156.95	156.06	157.27	157.19	139.59
62	Banks(6)	177.92	+0.4	26.60	6.31	5.69	177.14	176.66	177.02	177.59	157.90
63	Discount Houses (10)	202.55	−0.3	—	8.54	—	203.08	201.78	205.14	205.14	174.57
64	Hire Purchase (5)	138.14	−0.8	14.14	5.94	10.47	139.26	140.14	139.80	139.86	140.97
65	Insurance (Life) (10)	128.07	−0.6	—	7.11	—	128.88	127.86	129.37	129.60	108.10
66	Insurance (Composite) (7)	119.94	−1.3	—	7.11	—	121.55	120.34	121.29	120.90	113.59
67	Insurance Brokers (10)	327.54	+0.4	14.39	4.78	9.96	326.31	318.40	323.59	322.16	298.59
68	Merchant Banks (14)	77.37	−0.6	—	6.42	—	77.83	78.85	79.33	79.31	66.55
69	Property (31)	225.04	—	3.63	3.30	47.51	225.11	225.17	227.51	226.86	188.23
70	Miscellaneous (7)	103.75	+0.6	24.47	8.05	5.32	103.18	103.43	103.80	104.25	92.45
71	Investment Trusts (50)	206.68	+0.4	3.29	4.81	30.35	205.87	205.89	208.65	209.20	187.62
81	Mining Finance (4)	96.38	+0.1	17.93	7.22	6.73	96.24	97.25	98.69	98.52	88.69
91	Overseas Traders (19)	303.04	+0.6	17.39	7.05	7.06	301.10	300.62	303.80	306.68	272.09
99	ALL-SHARE INDEX(673)	208.55	+0.1	—	5.71	—	208.33	207.47	209.53	208.86	190.23

FIXED INTEREST PRICE INDICES

	British Government	Wed. June 28	Day's change %	xd adj. To-day	xd adj. 1978 to date
1	Under 5 years	103.86	−0.21	0.22	4.73
2	5-15 years	112.43	−0.19	—	5.95
3	Over 15 years	118.32	−0.27	—	7.02
4	Irredeemables	120.45	−0.70	—	7.24
5	All stocks	111.01	−0.24	0.09	5.83

FIXED INTEREST YIELDS Br. Govt. Av. Gross Red.			Wed. June 28	Tues. June 27	Year ago (approx.)
1	Low Coupons	5 years	8.98	8.92	7.59
2		15 years	11.15	11.12	11.26
3		25 years	11.91	11.86	12.33
4	Medium Coupons	5 years	11.79	11.67	10.05
5		15 years	12.38	12.34	12.82
6		25 years	12.43	12.41	12.73
7	High Coupons	5 years	11.90	11.82	10.94
8		15 years	12.88	12.84	13.16
9		25 years	13.10	13.05	13.37
10	Irredeemables		12.15	12.06	12.46

		Wed., June 28 Index No.	Wed., June 28 Yield %	Tuesday June 27	Monday June 26	Friday June 23	Thurs. June 22	Wed. June 21	Tuesday June 20	Monday June 19	Year ago (approx.)
15	20-yr. Red. Deb & Loans (15)	57.25	†12.97	57.26	57.54	57.40	57.48	57.39	57.32	57.34	54.50
16	Investment Trust Prefs. (15)	51.38	13.77	51.38	51.34	51.52	51.68	52.18	52.36	52.79	51.73
17	Coml. and Indl. Prefs. (20)	70.62	13.10	70.68	70.64	70.66	70.63	71.12	71.17	71.55	70.27

† Redemption yield. Highs and lows record, base dates and values and constituent changes are published in Saturday issues. A new list of the constituents is available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 13p, by post 22p.

LEADERS AND LAGGARDS

The following table shows the percentage changes† which have taken place since December 30, 1977, in the principal equity sections of the FT Actuaries Share Indices. It also contains the Gold Mines Index.

Section	%	Section	%
Gold Mines	+18.32	All-Share Index	− 2.89
Mining Finance	+ 8.66	Electronics, Radio and TV	− 3.49
Overseas Traders	+ 7.16	Building Materials	− 3.63
Chemicals	+ 5.65	Pharmaceutical Products	− 4.18
Tobaccos	+ 5.08	Electricals	− 4.43
Toys and Games	+ 3.92	Consumer Goods (Non-Durable) Group	− 4.61
Mechanical Engineering	+ 3.77	Breweries	− 4.62
Office Equipment	+ 3.18	Food Manufacturing	− 5.17
Newspapers and Publishing	+ 3.14	Merchant Banks	− 5.51
Motors and Distributors	+ 3.05	Household Goods	− 6.00
Engineering Contractors	+ 2.82	Entertainment and Catering	− 6.49
Packaging and Paper	+ 0.91	Property	− 8.01
Oils	+ 0.56	Insurance (Life)	− 8.10
Textiles	− 0.22	Food Retailing	− 8.62
Other Groups	− 0.81	Financial Group	− 8.96
Metal and Metal Forming	− 0.86	Discount Houses	− 9.62
Investment Trusts	− 0.95	Banks	− 9.64
Capital Goods Group	− 0.99	Stores	− 9.89
Consumer Goods (Durable) Group	− 1.42	Insurance (Composite)	−11.64
500 Share Index	− 2.11	Shipping	−12.19
Contracting and Construction	− 2.18	Hire Purchase	−16.14
Wines and Spirits	− 2.46		
Insurance Brokers	− 2.56		
Industrial Group	− 2.58		

† Percentage changes based on Tuesday, June 27, 1978 indices.

INSURANCE, PROPERTY, BONDS

Abbey Life Assurance Co. Ltd.
1-3 St. Paul's Churchyard, EC4. 01-248 9111

Equity Fund	36.7	38.7	.....	—
Equity Acc.	30.0	31.6	-1.0	—
Property Fd.	147.3	155.1	.....	—
Property Acc.	153.4	161.5	.....	—
Selective Fund	87.5	92.2	-1.6	—
Convertible Fund	130.8	137.7	.....	—
♥Money Fund	121.2	127.6	.....	—
Pens. Property	172.9	182.1	.....	—
Pens. Selective	82.8	87.2	-1.7	—
Pens. Security	136.3	143.5	.....	—
Pens. Managed	172.2	181.3	.....	—
Pens. Equity	153.3	161.4	.....	—
♥Prop. Fd. Ser. 4	126.3	133.0	.....	—
♥Man. Fd. Ser. 4	129.9	136.8	.....	—
♥Equity Fd. Ser. 4	33.3	35.1	-1.0	—
♥Conv. Fd. Ser. 4	111.7	117.6	.....	—
♥Money Fd. Ser. 4	109.2	115.0	.....	—

Prices at June 27. Valuation normally Tuesday.

Albany Life Assurance Co. Ltd.
31, Old Burlington St., W.1. 01-437 5962

♥Equity Fd. Acc.	180.0	189.5	.....	—
♥Fixed Int. Acc.	136.9	144.0	.....	—
♥Gtd. Money Fd. Ac.	114.2	120.1	.....	—
♥Intl. Man. Fd. Acm.	104.9	110.4	.....	—
♥Prop. Fd. Acc.	108.1	113.8	.....	—
♥M'ple Inv. Acc.	161.5	169.9	.....	—
Equity Pen. Fd. Acc.	211.9	223.0	.....	—
Fixed I. Pen. Acc.	172.2	181.2	.....	—
G'td. Mon. Pen. Acc.	128.8	135.5	.....	—
Intl. Mn. PnFd Acc.	111.0	116.8	.....	—
Prop. Pen. Acc.	122.1	128.5	.....	—
M'ple Inv. Pen. Acc.	196.7	207.0	.....	—

AMEV Life Assurance Ltd.♥
Alma Hse., Alma Rd., Reigate. Reigate 40101.

AMEV Managed	133.2	140.4	.....	—
AMEV Mgd. 'B'	115.9	122.0	.....	—
AMEV Money Fd.	104.9	110.4	.....	—
AMEV Equity Fd.	107.0	112.7	.....	—
AMEV Fixed Int.	90.7	95.6	.....	—
AMEV Prop. Fd.	96.8	102.0	.....	—
AMEV Mgd. Pen. Fd.	97.7	102.9	.....	—
AMEV Mgd. Pen. 'B'	98.1	103.3	.....	—
Flexiplan	97.9	103.1	.....	—

Arrow Life Assurance
30, Uxbridge Road, W.12. 01-749 9111

Sel. Mk. Fd. Cp. Unt.	82.9	87.7	.....	—
Sel. Mk. Fd. St. Unt.	98.8	104.4	.....	—
Pen. Mgd. Fd. Eq.	117.9	121.7	.....	—
Pen. Mgd. Fd.—F.I.	111.5	115.0	.....	—

Barclays Life Assur. Co. Ltd.
252 Romford Rd., E.7. 01-534 5544

Barclaybonds*	122.0	128.5	-1.5	—
Equity	112.4	118.4	+1.1	—
Gilt-edged	109.1	114.9	+0.2	—
Property	103.9	109.4	.....	—
Managed	106.8	112.5	+0.5	—
Money	98.7	103.9	+0.1	—
Man. Pens. Accum.	95.4	100.5	.....	—
Do. Initial	93.3	98.3	.....	—
Gilt Edg Pens. Acc.	94.7	99.7	.....	—
Do. Initial	91.9	96.8	.....	—
Money Pens. Acc.	100.4	105.7	.....	—
Do. Initial	97.4	102.6	.....	—

*Current unit value June 29.

Beehive Life Assur. Co. Ltd.♥
71, Lombard St., EC3. 01-623 1288

Blk. Horse June 1		128.76	.....	—

Canada Life Assurance Co.
2-6 High St., Potters Bar, Herts. P.Bar 51122

Eqty. Gth. Fd. June 2		60.3	.....	—
Retmt. Fed. June 6		119.3	.....	—

Cannon Assurance Ltd.♥
1, Olympic Wy., Wembley HA9 0NB 01-902 8876

Equity Units	£16.58	—	-0.01	—
Property Units	£10.11	—	.....	—
Equity Bond/Exec.	£11.11	11.76	-0.01	—

General Portfolio Life Ins. C. Ltd.♥
60 Bartholomew Cl., Waltham Cross. WX31971

Portfolio Fund		135.0	.....	—
Portfolio Capital	41.9	44.0	.....	—

Gresham Life Ass. Soc. Ltd.
2 Prince of Wales Rd., B'mouth 0202 767655

G.L. Cash Fund	96.6	101.7	+0.1	—
G.L. Equity Fund	103.6	109.1	-2.2	—
G.L. Gilt Fund	109.3	115.1	-0.8	—
G.L. Intl. Fund	115.3	121.4	-4.8	—
G.L. Ppty. Fund	96.5	101.6	+0.1	—

Growth & Sec. Life Ass. Soc. Ltd.♥
Weir Bank, Bray-on-Thames, Berks. 0628-34284

Flexible Finance		£1,064	.....	—
Landbank Secs.		55.00	.....	—
Landbank Ses. Acc.	116.4	119.5	.....	—
G. & S. Super Fd.		£7.954	.....	—

Guardian Royal Exchange
Royal Exchange, E.C.3. 01-283 7107

Property Bonds	174.8	182.0	.....	—

Hambro Life Assurance Limited♥
7 Old Park Lane, London, W1 01-499 0031

Fixed Int. Dep.	125.2	131.8	.....	—
Equity	174.2	183.4	.....	—
Property	162.0	170.6	.....	—
Managed Cap.	138.3	145.6	.....	—
Managed Acc.	170.8	179.8	.....	—
Overseas	118.9	125.2	.....	—
Gilt Edged	123.0	129.5	.....	—
American Acc.	98.0	103.2	.....	—
Pen. F.I. Dep. Cap.	127.5	134.3	.....	—
Pen. F.I. Dep. Acc.	148.6	156.5	.....	—
Pen. Prop. Cap.	202.7	213.4	.....	—
Pen. Prop. Acc.	260.8	274.6	.....	—
Pen. Man. Cap.	206.3	217.2	.....	—
Pen. Man. Acc.	265.3	279.3	.....	—
Pen. Gilt Edg. Cap.	121.7	128.2	.....	—
Pen. Gilt Edg. Acc.	128.1	134.9	.....	—
Pen. B.S. Cap.	123.9	130.1	.....	—
Pen. B.S. Acc.	140.7	147.8	.....	—
Pen. D.A.F. Cap.		101.6	.....	—
Pen. D.A.F. Acc.		102.8	.....	—

Hearts of Oak Benefit Society
15-17, Tavistock Place, WC1H 9SM 01-387 5020

Hearts of Oak	36.4	38.5	.....	—

Hill Samuel Life Assur. Ltd.♥
NLA Twr., Addiscombe Rd., Croy. 01-686 4355

♦Property Units	152.9	160.6	.....	—
Property Series A	100.9	106.3	.....	—
Managed Units	160.6	169.0	-0.8	—
Managed Series A	94.8	99.8	-0.5	—
Managed Series C	92.5	97.4	-0.4	—
Money Units	102.04	126.8	+0.1	—
Money Series A	97.4	102.65	+0.1	—
Fixed Int. Ser. A	91.5	96.4	+0.4	—
Pns. Managed Cap.	140.7	148.2	.....	—
Pns. Managed Acc.	148.3	156.2	.....	—
Pns. G'teed. Cap.	105.1	110.7	.....	—
Pns. G'teed. Acc.	110.8	116.7	.....	—
Pens. Equity Cap.	97.7	102.9	.....	—
Pens. Equity Acc.	98.0	103.2	.....	—
Pns. Fxd. Int. Cap.	94.7	99.7	.....	—
Pns. Fxd. Int. Acc.	95.0	100.0	.....	—
Pens. Prop. Cap.	95.1	100.2	.....	—
Pens. Prop. Acc.	95.4	100.4	.....	—

Imperial Life Ass. Co. of Canada
Imperial House, Guildford. 71255

Growth Fd. June 23	70.1	76.2	.....	—
Pens. Fd. June 23	65.0	70.6	.....	—

Unit Linked Portfolio

Managed Fund	94.5	99.4	.....	—
Fixed Int. Fd.	95.8	100.8	.....	—
Secure Cap. Fd.	96.0	101.0	.....	—
Equity Fund	96.0	101.1	.....	—

Irish Life Assurance Co. Ltd.
11, Finsbury Square, EC2. 01-628 8253

Blue Chp June 22	71.7	75.5	.....	4.40
Managed Fund	221.6	223.3	.....	—
Exempt. Man. Fd.	101.3	106.6	.....	—

Fixed Int. Fd. Acc.	95.9	100.9	+0.1	—
Fxd. Int. Fd. Incm.	95.9	100.9	+0.1	12.29
Inter'l. Fd. Acc.	104.7	110.2	+0.2	—
Inter'l. Fd. Incm.	104.7	110.2	+0.2	4.23
Money Fd. Acc.	95.9	100.9	.....	—
Money Fd. Incm.	95.9	100.9	.....	8.75
Dist. Fd. Incm.	98.1	103.2	.....	8.54
Crown Brt. Inv. 'A'	159.6	—	.....	—

Crusader Insurance Co. Ltd.
Vincula House, Tower Pl., EC3. 01-626 8031

Gth. Prop. June 6	70.1	79.5	.....	—

Eagle Star Insur/Midland Ass.
1, Threadneedle St., EC2. 01-588 1212

Eagle/Mid. Units	50.0	51.9	-0.1	6.31

Equity & Law Life Ass. Soc. Ltd.♥
Amersham Road, High Wycombe 0494 33377

Equity Fd.	110.2	116.0	+0.4	—
Property Fd.	106.4	111.9	.....	—
Fixed Interest F.	106.2	111.7	.....	—
Gtd. Deposit Fd.	99.0	104.2	.....	—
Mixed Fd.	108.7	114.4	+0.1	—

Property Pens.		159.4	.....	—
Equity		56.1	.....	—
Equity Pens.		160.4	.....	—
Money Market		139.4	.....	—
Money Mkt. Pens.		180.0	.....	—
Deposit		128.6	.....	—
Deposit Pens.		139.9	.....	—
Managed		102.9	.....	—
Managed Pens.		134.8	.....	—
Intl. Equity		104.5	.....	—
Intl. Managed		102.9	.....	—

NEL Pensions Ltd.
Milton Court, Dorking, Surrey. 5911

Nelex Eq. Cap.	78.1	82.2	.....	—
Nelex Eq. Accum.	109.0	114.8	+0.1	—
Nelex Money Cap.	61.8	65.0	.....	—
Nelex Mon. Acc.	65.6	69.0	.....	—
Nelex Gth Inc Cap.	47.6	50.1	.....	—
Nelex Gth Inc Acc.	48.6	51.1	.....	—
Nel Mxd. Fd. Cap.	47.6	50.1	.....	—
Nel Mxd. Fd. Acc.	48.6	51.1	.....	—

Next Sub. day July 25.

For New Court Property see under Rothschild Asset Management

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72-80, Gatehouse Rd., Aylesbury. 0296 5941

Abbey Capital	31.8	33.8	+0.1	4.33
Abbey Income	38.4	40.8	+0.1	5.91
Abbey Inv. Tst. Fd.	35.4	37.5	-0.2	4.33
Abbey Gen. Tst.	44.1	46.9	+0.2	4.19

Allied Hambro Group♥ (a)(g)
Hambro Hse., Hutton, Brentwood Essex.
01-588 2851 or Brentwood (0277) 211459

Balanced Funds

Allied 1st	63.9	68.4	+0.5	5.55
Brit. Inds. Fund	60.9	65.1	-0.4	5.72
Grth. & Inc.	36.8	39.4	+0.3	5.33
Elect. & Ind. Dev.	32.4	34.6	+0.3	5.11
Allied Capital	69.7	74.6	+0.4	4.45
Hambro Fund	101.0	108.7	+1.0	5.27
Hambro Acc. Fd.	115.3	123.4	+0.7	4.66

Income Funds

Gartmore Fund Managers♥ (a)(g)
2, St. Mary Axe, EC3A 8BP. 01-283 3531

(a)American Tst.	28.3	30.5	-0.2	0.11
British Tst. (Acc.)	54.1	58.2	+0.1	3.40
Commodity Share	156.4	168.1	+1.9	2.68
Extra Income Tst.	—	25.0		9.25
(a)Far East Trust	35.3	38.0	-0.5	0.80
High Income Tst.	57.8	62.1		8.58
Income Fund	71.1	76.4	+0.3	6.63
Ins. Agencies	13.55	14.51	+0.15	3.28
Intl. Exempt Fd.	84.0	91.6	+0.1	6.09
(a)Intl. Tst. (Acc.)	32.9	35.4	-0.3	1.25

Gibbs (Antony) Unit Tst. Mgs. Ltd.
23, Blomfield St., EC2M 7NL. 01-588 4111

(a)A.G. Income*	41.0	44.0	.....	8.50
(a)A.G. Growth††	37.7	40.5	.....	4.90
(a)A.G. Far East*	23.7	25.4	.....	0.30

Dealing *Tues. ††Wed.

Perpetual Unit Trust Mngmt.♥ (a)
48 Hart St., Henley on Thames 04912 6868

P'petual Gp. Gth.	39.9	42.8	.....	3.41

Piccadilly Unit T. Mgrs. Ltd.♥ (a)(b)
Wardgate Hse., 59a London Wall EC2 638 0801

Extra Income	28.6	30.6		9.90
Small Co's Fd.	36.8	39.5	+0.5	5.36
Capital Fund	41.9	44.8	+0.3	4.06
Int. Erns. & Assets	43.9	47.0		3.06
Private Fund	34.0	36.7	+0.1	4.47
Accumltr. Fund	58.8	62.1		3.72
Technology Fund	53.5	57.1	+0.3	3.69
Far East Fd.	26.4	28.3		1.60
American Fund	23.3	25.1	+0.2	2.60

Practical Invest. Co. Ltd.♥ (y)(c)
44, Bloomsbury Sq., WC1A 2RA 01-623 8893

Practical June 21	148.3	157.7	-3.5	4.36

OFFSHORE AND OVERSEAS FUNDS

Arbuthnot Securities (C.I.) Limited
P.O. Box 284, St. Helier, Jersey 0534 72177

Cap. Tst. (Jersey)	116.0	120.0	.....	4.17

Next dealing date July 4.

East & Intl. Tst. (C.I.)	116.0	123.0	.....	3.05

Next sub. July 6.

Australian Selection Fund NV
Market Opportunities, c/o Irish Young & Outhwaite, 127, Kent St., Sydney.

US$1 Shares	$US1.54	.....	—

Net Asset Value June 15

Bank of America International S.A.
35 Boulevard Royal, Luxembourg G.D.

King & Shaxson Mgrs.
1 Charing Cross, St. Helier, Jersey. (0534) 73741
Valley Hse., St. Peter Port, Grnsy. (0481) 24706
1 Thomas Street, Douglas, I.O.M.

Gilt Fund (Jersey)	9.20	9.22	-0.03	12.25
Gilt Trust (I.o.M.)	102.7	105.3	.....	12.00
Gilt Fnd. Guernsey	9.36	9.40	.....	12.00

Intl. Govt. Secs. Tst.

First Sterling	18.57	18.63	.....	—
First Intl.	185.16	186.19	.....	—

Kleinwort Benson Limited
20, Fenchurch St., EC3 01-623 8000

Eurinvest, Lux. F.		1,055	-7	3.30
Guernsey Inc.	64.2	68.0	.....	4.08

Jardine Fleming & Co. Ltd.
46th Floor, Connaught Centre, Hong Kong

Jardine Estn. Tst.	$HK254.36		.....	2.80
Jardine J'pn Fd.*	$HK331.15		.....	1.00
Jardine S.E.A.	$US16.24		.....	1.90
Jardine Flem. Int.	$HK9.70		.....	—

NAV June 15 *Equivalent $US71.06.
Next sub. June 30

Keyselex Mngt., Jersey Ltd.
PO Box 98, St. Helier, Jersey. (Eng. 01-606 7070)

Fonselex	Frs1,402	1,540	.....	2.90
Bondselex	Frs118.99	125.00	.....	—
Keyselex Int'l.	£6.62	7.43	+0.14	—
Keyselex Europe	£3.96	4.46	.....	3.70
Japan Gth. Fund	$US25.11	27.11	.....	—
Keyselex Japan	£12.74	13.92	.....	—
Cent. Assets Cap.	£134.00		-0.66	.....

S. G. Warburg & Co. Ltd.
30, Gresham Street, EC2. 01-600 4555

Cnv. Bd. Fd. June 27	$US9.57	-0.02	—
Eng. Int. June 27	$US17.09d	+0.07	—
Gr. St. $Fd. May 31	$US7.09	.....	—
Mr. Eur. June 21	$US10.35 10.65	.....	—

Warburg Invest. Mngt. Jrsy. Ltd.
1, Charing Cross, St. Helier, Jsy. CI 0534 73741

CMF Ltd. May 25	$US12.82	13.14	.....	—
CMT Ltd. May 25	£12.58	12.90	.....	—
Metals Tst. June 16	£12.17	12.47	.....	—
TMT June 8	$US10.57	10.85	.....	—
TMT Ltd. June 8	£10.68	10.96	.....	—

World Wide Growth Management⊕
10a, Boulevard Royal, Luxembourg.

Worldwide Gth. Fd.	$US14.79	-0.09	—

NOTES

Prices do not include $ premium, except where indicated ♦, and are in pence unless otherwise indicated. Yields % (shown in last column) allow for all buying expenses. a Offered prices include all expenses. b To-day's prices. c Yield based on offer price. d Estimated. g To-day's opening price. h Distribution free of U.K. taxes. p Periodic premium insurance plans. s Single premium insurance. x Offered price includes all expenses except agent's commission. y Offered price includes all expenses if bought through managers. z Previous day's price. ♥ Net of tax on realised capital gains unless indicated by ϕ. § Guernsey gross. ¢ Suspended. ♦ Yield before Jersey tax. † Ex-subdivision.

CLIVE INVESTMENTS LIMITED
1 Royal Exchange Ave., London EC3V 3LU. Tel.: 01-283 1101.
Index Guide as at 20th June, 1978 (Base 100 at 14.1.77)

Clive Fixed Interest Capital	128.91
Clive Fixed Interest Income	114.90

CORAL INDEX: Close 452-457

INSURANCE BASE RATES

† Property Growth	9¾%
† Vanbrugh Guaranteed	9.37%

† Address shown under Insurance and Property Bond Table.

FT SHARE INFORMATION SERVICE

BONDS & RAILS—Cont.

1978 High	Low	Stock	Price £	+ or —	Div. % Gross	Red. Yield
88	82½	Ireland 7½pc '81-83	82½xd	......	7½	12.17
91	79	Do. 9½pc '91-96	80½	......	9½	13.06
375	265	Japan 4pc '10 Ass.	365xd	......	—	—
87	70	Do. 6pc '83-88	71½	......	6	11.10
160	140	Peru Ass. 3pc	140	......	3	2.16
75p	75p	S.G.I. 6½pc 1980	75p	......	6½	8.67
$99	$94½	Turin 9pc 1991	$94½	......	9	9.52
DM91	DM81	Turin 6½pc 1984	DM91	......	6½	10.70
97	94	Uruguay 3½pc	97	......	3½	3.80

U.S. $ & DM prices exclude inv. $ premium

AMERICANS

1978 High	Low	Stock	£	+ or —	Div. Gross	Cvr	Y'ld Gr's
17⅜	13½	ASA	16⅝	−⅞	80c	—	2.7
60½	60½	AMF 5% Conv. '87	60½	......	5%	—	—
31	22	Amax $1	26⅝	−½	$2.75	—	3.7
32	21⅞	American Express	28½	+¼	$1.40	—	2.8
33½	11	Amer. Medic. Int.	20⅞	−¼	30c	—	0.8
15⅝	969p	Asarco Inc.	11⅝	−⅛	40c	—	1.9
29¾	18¼	Baker Intl. Corp. $1	21xr	+¼	64c	—	1.7
19¾	11⅞	Barnes Grp. $6⅔	17⅝xd	+⅛	90c	—	2.9
32⅞	22	Bendix Corp. $5	29⅞xd	−¼	$2.28	—	4.3
23½	13	Beth. Steel $8	17¼xd	−¼	$1.00	—	3.2
11⅝	625p	Brown & Fer. c16⅔	10⅝xd	......	40c	—	2.2
13½	857p	Brunswick Corpn. $1	11¼	−⅛	70c	—	3.5
65	41⅞	Burroughs Corp. $5	58¼	+¼	$1.00	—	1.0
48	30½	CBS $2.50	43	......	$2.40	—	3.1
42⅞	26¼	C.P.C. $¼	41½	......	$2.50	—	3.4
48½	32¾	Caterpillar $1	43⅞	−⅜	$1.80	—	2.3
27¼	17⅞	Chase M'htn $12.5	24	......	$2.20	—	5.2
22	13⅝	Chesebrough $1	19⅞xd	+¼	94c	—	2.7
11	765p	Chrysler $6¼	853p	−17	$1.00	—	6.6
21¼	13½	Citicorp $4	18½xd	......	£1	—	3.2
14	733p	City Inv. $1.25	12½	−⅛	$1.00	—	4.5
25	14⅜	Do. Cm. Prf. B $1	20½	−¼	$2	—	5.5
18¾	12¼	Colgate-P $1	16¾	......	$1.00	—	3.4
47⅝	29	Colt Inds. $1	42¼xd	−¼	$3.15	—	4.3
26	15½	Cont. Illinois $10	22½	−½	$1.52	—	3.3
25⅞	17	Cont. Oil $5	20⅞	......	$1.40	—	3.8
28	20⅛	Crown Zell. $5	24½	......	$1.90	—	4.4
46½	20⅛	Cutler-Hammer $5	46⅛	−⅜	♦$1.40	—	1.7
32½	22	Eaton Crp. $0.50	30¼	−⅝	$2.25	—	4.2
26½	17¼	Esmark	24½xd	......	$1.84	—	4.2
40	28¼	Exxon $1	35¼	−¼	$3.20	—	5.1
12¼	670p	Firestone Tire $1	11⅝	......	$1.10	—	5.4
18¾	11½	First Chicago	16½xd	......	$1.00	—	3.5
32⅞	20¼	Fluor Corp. $⅝	29¼	−⅛	$1.20	—	2.3
47⅞	26⅝	Ford Motor $2	37¼	......	$3.20	—	4.3
25¼	16⅛	GATX	22½xd	−⅜	$2.50	—	6.3
44⅝	29⅝	Gen. Elect. $2½	40⅝xd	......	$2.20	—	3.1
24½	15⅛	Gillette $1	22⅝	−¼	$1.50	—	3.7

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BANKS AND HIRE PURCHASE

1978 High	Low	Stock	Price	+ or —	Div. Net	Cvr	Y'ld Gr's	P/E
260	185	Guinness Peat	228	−2	†10.0	—	6.6	—
217	158	Hambros	176	−9	†9.52	—	8.2	—
100	81	Hill Samuel	84xd	......	4.90	—	8.5	—
600	375	Do. Warrants	375	......	—	—	—	—
327	203	Hong Shng. $2.50	307	......	h§5¾c	—	2.3	—
69	52	Jessel Toynbee	56xd	......	h3.27	—	8.9	—
210	160	Joseph (Leo) £1	210	−13	8.61	—	6.5	—
52	37	Keyser Ullmann	48	+1	0.66	—	[illegible]	—
74	56	King & Shax 20p	56	......	3.39	—	9.2	—
114	92	Kleinwort B.L.	95	......	4.12	—	6.6	—
297	242	Lloyds £1	254	+2	9.09	5.5	5.4	5.3
50½	42	Manson Fin. 20p	45	......	†2.79	1.5	9.4	11.2
134	106	Mercury Secs.	108	−1	3.59	—	4.9	—
390	330	Midland £1	340	−2	14.75	4.3	6.6	5.3
£92	£78	Do. 7½% 83-93	£79½	−½	Q7½%	21.1	19.6	—
£95¼	£82½	Do. 10¼% 93-98	£84¼	......	Q10¼%	21.1	e12.2	—
64½	56	Minster Assets	58	+1	3.55	2.5	9.3	6.6

FOREIGN BONDS & RAILS

1978 High	Low	Stock	Price £	+ or —	Div. % Gross	Red. Yield
20½	17	Antofagasta Rly.	20½	......	—	—
34½	35	Do. 5pc Pref.	34½xd	......	—	—
98	98	Chilean Mixed	98	......	3	13.10
415	350	German Yng. 4½pc	405xd	......	4½	—
54	46	Greek 7pc Ass.	54	......	3½	16.48
51	46	Do. 6pc '28 Stab. Ass.	51	......	6	16.90
43	40	Do. 4pc Mixed Ass.	43	......	4	14.76
55	42	Hung. '24 Ass.	55	......	4½	5.00
77	65	Iceland 6½pc 83-88	65xd	......	—	12.60

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1978 High	Low	Stock	Price	+ or —	Div Net	C'vr	Y'ld Gr's	P/E
13¼	7¾	Hawtin 5p	13¼	+¼	—	—	—	11.4
55	34	Hay (Norman) 10p	54	......	3.00	2.1	8.4	8.4
164	120	Hay's Wharf £1	130	......	†4.95	1.8	5.8	12.9
89½	72½	Hepworth Cmic.	83½	+½	†3.3	3.5	6.0	7.0
112	93½	Hestair	101	+3	t6.89	3.1	10.3	(3.9)
24	20	Hewitt (J) 5p	21	......	1.03	4.3	7.4	4.8
41	35	Highgate Opt. 10p	35	......	td1.07	1.2	‡	12.2
125	92	Hill (Chas.) £1	104	−2	7.26	—	10.6	—
38	28	Hirst Mel'son 20p	30	......	1.8	2.9	9.1	(4.4)
67	61	Holden (A.)	62	......	b3.3	3.6	8.1	5.2
73	59	Hollis Bros.	62	......	†4.03	2.7	9.9	5.6
148	119½	Holt Lloyd Int. 10p	136	−1	7.00	2.0	7.8	9.9
390	305	Hoover 'A'	305	......	14.82	2.0	7.4	10.4
*99	71½	Horizon 5p	92	......	M5.64	3.4	9.3	9.4
173	122	Hoskins & H 20p	167	......	5.17	1.2	4.7	26.1
51½	25	Howard Tenens	29	......	†1.71	—	9.0	—
235	189	Hunting Assoc.	200	−2	2.95	9.2	2.2	7.3
119	82	Huntleigh 10p	108	+1	2.35	7.0	3.3	6.6
114	49	Hutch Whamp $HK1	106	+½	Q20c	φ	2.2	φ
*42½	22¾	Hyman (I. & J.) 5p	41	......	t1.9	17.7	7.0	12.7
£22½	£14½	I.C. Industries$1	£20¼	+⅛	Q$1.52	—	4.7	—
302	206	ICI £1	294	......	†7.42	5.4	3.8	4.9
385	298	Imp. Cont. Gas £1	355	......	9.81	q4.4	4.3	8.0
25	22	Ingall Inds. 10p	25	......	$1.88	1.6	11.4	7.6
77	64	Initial Services	72½	−½	†4.11	1.8	8.6	9.9
12¾	8	Inter-City 20p	11xd	......	0.6	2.7	8.3	6.8
47	39	James (John)	44½	......	†d2.47	2.7	8.4	5.3
14¼	9½	James (M.) Inds. 20p	13½	+½	d1.0	φ	11.7	φ
288	149	Jardine M. $HK5	270	+3	Q67c	2.2	3.0	15.1
32½	23½	Jentique	24½	......	†h2.0	1.2	12.4	10.4
*12½	10	Johnson & Barnes	12	......	—	—	—	—
108	76½	Johnson Clnrs.	86	......	3.89	3.0	6.9	5.5
480	375	Johnson Mthy. £1	430xd	......	13.62	φ	4.8	φ
42	32	Jourdan (T.) 10p	39	......	2.89	2.7	11.2	4.2
31	28	Kalamazoo 10p	30½	......	†1.95	1.8	9.7	8.7
118	88	Kelsey Inds.	91	+1	3.23	6.6	5.4	4.3
34	23	Kennedy Sm. 10p	33	−1	$1.58	2.3	7.3	9.2
£104¾	900	Kershaw (A.) 5p	£101½	+½	15.9	2.0	2.3	(26.8)
72½	64	Kleen-E-Ze Hldgs.	72	......	3.82	2.2	8.2	8.3
98	77	L.C.P. Hlds.	91	+1	¶4.79	φ	8.3	φ
43	32	L.K. Ind'l. Invs.	38	......	d2.60	3.0	10.4	5.6
*73	34½	L.R.C. Int. 10p	36	+½	t2.23	2.6	9.4	6.4
68	53	Lawtex	59	......	2.91	4.8	7.5	4.1
158	128	Lead Inds. 50p	144	−1	7.37	3.3	7.8	5.9
119	99	Leadenhall Sterling	113xd	......	2½p	4.4	5.5	6.1
49	38	Le Bas (Ed.)	41	......	1.82	4.2	6.7	5.4
56	43½	Leboff Fobel 10p	48½	......	†1.62	2.5	5.1	11.9
70	46	Lebus Harris	46	......	3.27	2.9	10.8	(3.7)
170	133	Leigh Ints. 5p	143xc	+1	t4.36	2.2	4.6	19.1
134	102	Leisure Car. 10p	130	......	4.48	2.3	5.3	12.5
245	235	Lep Group 10p	237	−3	†3.1	8.9	2.0	6.0
80	57	Lesney Prods. 5p	79	+2	d2.90	3.7	5.6	5.6
188	98	Letraset 10p	135	+3	b5.39	2.4	6.1	8.8
24½	15	Liden 10p	18	......	—	—	—	—
49½	32	Lindsay & Wms.	49½	......	3.00	3.7	9.2	3.7
151	128	Lindustries	134	......	9.0	φ	10.7	φ

INSURANCE

1978 High	Low	Stock	Price	+ or —	Div Net	C'vr	Y'ld Gr's	P/E
120	98	Bowring (C. T.)	100	+1	2.95	5.3	4.5	6.4
58	30	Brentnall Bd 10p	34	+2	1.28	3.4	5.7	7.9
172	148	Britannic 5p	156	−2	9.18	—	8.9	—
£16⅞	955	Combined Am. $1	£14⅝	−⅛	tQ$1.00	—	3.8	—
159	138	Comm. Union	141	−2	7.65	—	8.2	—
166	132	Eagle Star	137	−1	6.13	—	6.8	—
24	16½	Edin. & Gen. Inc 10p	23	......	—	—	—	—
£129	£107	Ennia UK 9% Cnv	£119	......	Q9%	—	f7.6	—
178	146	Equity & Law 5p	146	......	6.69	—	6.9	—
250	200	Gen. Accident	200	−4	8.10	—	6.1	—
262	206	Guardian Royal	208	−2	10.17	—	7.4	—
335	263	Hambro Life	310	−3	20.0	—	9.8	—
292	237	Heath (C.E.) 20p	255	+3	4.83	5.1	2.9	9.6
193	163	Hogg Robinson	181	+3	†5.6	3.1	4.7	10.6
*178	147	Howden (A.) 10p	164	+3	t7.0	2.9	6.5	9.0
177	143	Legal & Gen. 5p	148	−1	5.77	—	5.9	—
118	13	Les. & Gdwn. 10p	116	+4	c4.47	2.1	5.8	12.7
150	120	Lon. & Man. 5p	128	......	t6.48	—	7.7	—
178	132	London United 20p	164	+1	h3.77	4.3	3.5	9.8
215	157	Matthew Wr. 20p	160	......	9.19	2.1	8.7	7.5
204	151	Minet Hldgs. 20p	185	−3	3.33	4.3	2.7	11.4
67	47	Moran (Chris) 20p	59	+2	3.62	2.5	9.3	6.5
260	218	Pearl 5p	218	......	12.59	—	8.7	—
292	234	Phoenix	234	−4	10.35	—	6.7	—
132	120	Provident "A"	128	......	8.17	—	9.7	—
132	120	Do. "B"	128	......	8.17	—	9.7	—
173	137	Prudential 5p	140	−1	6.65	—	7.2	—
146	125	Refuge 5p	136	......	8.1	—	9.0	—
425	346	Royal	350	−5	16.45	—	7.1	—
425	310	Sedg Forbes 10p	403	−4	9.59	3.3	3.6	12.9
107	94	Stenhouse	100	+2	4.05	2.7	6.1	7.7
606	504	Sun Alliance £1	510	−4	20.15	—	6.0	—
108	93	Sun Life 5p	95	−1	t3.42	—	5.5	—
957	679	Taisho Mar. EDR	905	−8	gQ10%	—	0.6	—
170	155	Trade Indemnity	170	......	8.47	—	7.6	—
£31½	£17⅝	Travelers $2.50	£28⅛	−¼	Q$1.68	—	3.4	—
303	247	Willis Faber	254	−3	9.0	2.4	5.4	11.6

MOTORS, AIRCRAFT TRADES

Motors and Cycles

1978 High	Low	Stock	Price	+ or —	Div Net	C'vr	Y'ld Gr's	P/E
30	20	B.L. 50p	23	......	—	—	—	—
272	185	Gen. Mts. Units	237	−1	Q34c	1.7	8.1	7.2
53	37	Lotus Car 10p	44	......	—	—	—	—
12½	5½	Reliant Mtr. 5p	10¼	......	—	—	—	18.7
98	63½	Rolls-Royce Mtrs.	90	......	M5.16	2.4	8.7	8.7
£15	762	Volvo Kr50	£11¼	−¼	Q12%	8.6	6.1	27.6

Commercial Vehicles

1978 High	Low	Stock	Price	+ or —	Div Net	C'vr	Y'ld Gr's	P/E
120	82	E.R.F. (Hldgs.)	102	−2	b2.17	6.4	3.2	5.1

PROPERTY—Continued

1978 High	Low	Stock	Price	+ or —	Div Net	C'vr	Y'ld Gr's	P/E
328	280	Intry Property	305	......	b1.6	1.0	0.8	191.3
39	25	Intereuropean 10p	32	+1	†0.1	—	0.5	—
39	32½	Jermyn Invest	33xd	......	1.60	φ	7.3	φ
46	34	Land Invest	35	......	†h0.67	1.2	2.9	44.7
228	190	Land Secs. 50p	202	......	5.32	1.5	4.0	24.7
£179	£145	Do. 5⅜pc Cnv. '85	£159	......	Q5⅜%	5.7	f3.7	—
£150	£125	Do 6¼% Conv. '85	£136	−1	Q6¼%	5.7	f4.7	—
£150	£125	Do 10% Conv. '95	£138	......	Q10%	5.7	f7.4	—
51	37	Law Land 20p	38	......	1.0	0.3	4.0	123.7
252	172	Lend Lease 50c	250	......	Q25%	2.0	3.1	16.3
94	77	Lon Prov Shp 10p	94	......	$0.81	2.6	1.3	43.9
74	55	Lon. Shop Prop.	59	+1	†3.00	0.8	7.7	29.4
132	104	Lynton Hdgs. 20p	120	......	†2.28	2.5	2.9	21.0
134	105	MEPC	117	−1	†1.7	1.9	2.2	36.5
30	14	Marler Estates	26	......	♦—	—	—	32.8
50	36	McInerney 10p	43	−1	Z2.0	φ	7.4	φ
220	145	McKay Secs 20p	220	......	†2.41	b4.3	1.0	36.6
44½	31½	Midhurst Wh. 10p	40	......	—	—	—	—
64½	53	Mountview 5p	54	......	1.32	φ	3.7	φ
125	103	Mucklow (A. & J.)	113	......	th2.22	1.8	3.0	27.4
46	45	Notton	46	......	2.0	0.4	6.6	472.9
83	68	Peachey	76	......	t2.00	—	4.0	—
347	295	Prop Hldg & Inv.	298	−4	6.54	φ	3.4	φ
110	77	Prp Inv. & Fin. (I.)	110	......	♦†4.0	0.8	5.5	(36.5)
130	64	Prop. Part'ship	111xd	......	1.76	φ	2.4	40.8
315	285	Prop. & Rev. 'A'	290xd	......	5.16	1.6	2.7	35.2
156	127	Prop Sec Inv 50p	137	......	†1.88	—	2.1	—
6¾	3	Raglan Prop. 5p	5½	......	—	—	—	—
15	8	Regalian	12	......	—	—	—	—
87	74	Regional Prop.	74	......	g1.0	1.5	2.0	(64.2)
77	59	Do 'A'	61½	......	g1.0	1.5	2.5	(53.4)
121	89	Rush & Tompkins	113	......	d2.87	2.7	3.8	(11.0)
96	72	Samuel Props	80	+1	‡d2.1	0.6	‡	(102.8)
118	97	Scot. Metrop. 20p	101	−1	t1.94	1.2	2.9	45.1
43	34	Second City 10p	34	......	†1.73	1.9	7.7	10.2
129	100	Slough Ests.	111	......	2.27	1.8	3.1	26.8
£174	£140	Do. 10% Conv. '90	£162	......	Q10%	13.4	f6.2	—
270	216	Stock Conversn.	230	......	b2.0	2.4	1.3	48.0
228	170	Sunley (B) Inv.	204	......	3.95	—	3.0	—
71	31½	Swire Properties	63	......	Q18½c	φ	3.9	φ
70	56	Town Centre	57½	......	0.92	1.2	2.2	57.5
17	12	Town & City 10p	12	......	0.01	—	—	—
116	82	Trafford Park	111	+2	†3.65	1.4	5.1	21.1
24	18	U.K. Property	18½	......	—	—	—	—
282	240	Utd. Real Prop.	247	......	5.17	1.2	3.2	41.0
148	119	Warner Estate	127	......	†2.66	1.6	3.2	30.7
292	262	Warnford Inv. 20p	275	......	6.95	1.2	3.9	31.8
20	14	Webb (Jos.) 5p	15	......	hd0.48	2.5	4.8	12.7
19	16	W'minster P. 20p	18	......	—	—	—	—
37½	30	Winston Ests.	37	......	1.27	1.5	5.2	19.9

SHIPBUILDERS, REPAIRERS

INV. TRUSTS—Continued

1978 High	Low	Stock	Price	+ or —	Div Net	C'vr	Y'ld Gr's	P/E
151	122	Broadstone (20p)	145	......	5.15	1.0	5.4	28.5
97	79	Brunner Inv.	93xd	......	†3.55	1.0	5.9	25.4
76	66	Brycourt 50p	72	......	g2.49	1.0	5.2	22.9
66	56	C.L.R.P. Inv.	62	......	†1.9	1.2	4.7	26.3
255	214	Caledonia Invs.	236xd	+1	8.43	φ	5.4	φ
82½	58½	Caledonian Tst.	80	......	†1.60	†1.1	2.7	45.9
79	56	Do. "B"	75		—	—	—	—
89	75	Cambrian and Gen	83	+3	3.5	1.1	6.4	22.3
295	194	Camellia Invs. 10p	295		2.0	φ	1.0	φ
110	90	Can. & Foreign	107		3.60	1.2	5.1	25.5
125	102	Capital & Nat.	118		4.0	1.0	5.2	29.5
120	100	Do. "B"	115		—	—	—	—
108	87	Cardinal Dfd.	103		3.9	1.0	5.7	25.5
114	94	Carliol Inv.	109	......	3.85	1.1	5.4	25.3
66	56	Cedar Inv.	62		†2.5	1.1	6.1	22.6
140	124	Chan'l Is. Inc. £1	136	......	Q15.0	1.4	11.0	♣
550	455	Do. Cap.	540		—	—	—	—
55½	46	Charter Trust	53½xd	......	†2.15	1.1	6.1	22.9
29½	26	City & Com. Inc.	29		1.82	1.0	9.5	15.7
111	76	Do. Cap. (£1)	101	+3	—	—	—	—
87	48½	City & For. Inv.	78	......	—	—	—	—
102	85	City & Intern'l	96	......	†4.07	1.1	6.5	21.8
66½	62	City of Oxford	66½	......	3.3	1.0	7.5	19.5
83½	76½	Claverhouse 50p	80	+½	3.8	1.0	7.2	20.9
12	6½	Clifton Invs 10p	7½	......	—	—	—	—
80½	58½	Clydesdale Inv.	79½	+½	†1.67	1.1	3.2	43.4
77	57	Do "B"	75	......	—	—	—	—
245	212	Colonial Secs. Dfd.	240	......	8.1	1.2	5.1	25.7
203	160	Continent'l & Ind	190	......	6.40	φ	5.2	φ
112	94	Continent'l Union	108	......	3.5	1.1	4.9	28.3
180	116	Cres'nt Japan 50p	177	......	—	—	—	295.5
79	67	Crossfriars	72	+1	†3.32	1.0	7.0	20.9
30	24	Cumulus Inv.	25		0.8	1.0	4.8	31.9
44½	38½	Danae (Inc.) (50p)	44½	+1½	†2.87	1.1	9.8	14.7
4	3¼	Do. (Cap.) 10p	3½	......	—	—	—	—
65	56	Debenture Corp.	60	+½	h2.40	1.1	6.1	22.5
224	200	Derby Tst. Inc. £1	220	......	13.43	0.9	9.2	19.0
164	140	Do. Cap. 50p	144½	......	—	—	—	—
193	172	Dominion & Gen.	186xd	+1	7.75	φ	6.3	φ
134	106	Drayton Com'cl.	125	......	4.5	1.1	5.5	24.4
146	123	Do. Cons	141	+1	4.7	1.2	5.1	25.5
41½	27	Do Far Eastern	41	......	0.9	1.1	3.3	40.6
195	155	Do Premier	188	+1	6.7	1.1	5.4	26.2
65	60	Dualvest Inc 50p	62½	......	4.64	φ	11.2	φ
238	163	Do. Capital £1	212	+2	—	—	—	—
64	55	Dundee & Lon.	61½xd	+½	†2.3	1.1	5.7	25.0
135	86½	Edinburgh Am. Tst.	125	+1½	1.1	1.4	1.3	81.7
229	194	Edin. Inv. Df £1	220	+1	6.75	1.0	4.6	31.1
111½	96½	Electra Inv. Tst.	108½	+½	5.0	1.1	7.0	20.1
73	60	Elect. & Gen.	71xd	......	1.55	φ	3.4	φ
90	74	Eng. & Internat'l	85	......	3.8	1.1	6.8	20.9
76	63	Eng & N.Y. Trust	73½	......	2.6	1.0	5.4	27.5
74	58	Eng. & Scot. Inv.	69	−1	2.45	1.0	5.4	28.2

FINANCE, LAND—Continued

1978 High	Low	Stock	Price	+ or —	Div Net	C'vr	Y'ld Gr's	P/E
30	17	Grimshawe 20p	25	......	—	—	—	—
34	25	Hambro Trust	29	....	†1.64	4.3	8.6	4.2
11	7½	Hampton Tst. 5p	10	−¼	—	—	—	—
46	25	Haw Par. S $1	46	+1	—	—	—	—
178	147	Int. Inv. Tst. Jsy. £1	177	......	Q4.0	2.2	2.3	22.5
20	16	Investment Co.	17	....	$0.94	3.1	8.4	5.4
120	80	Kakuzi K5	115	......	‡Q120c	3.0	7.0	6.1
80	44	Kitch'n. Taylor 10p	72	....	1.0	19.0	2.1	3.1
23	18	Kwahu 10p	21	.....	1.65	1.3	11.9	9.9
19¼	13½	Lamont Hlds. 10p	18xd	....	0.3	φ	2.5	φ
30	13	Lon. Euro. Grp.	27	−1	0.5	4.7	2.8	10.2
99	73	Lon Merchant	88	....	†1.25	4.2	1.9	12.8
127	104	M. & G. Hldgs. 5p	120	−1	3.46	3.7	4.4	8.7
74	38	Majedie Invs. 10p	67½	......	0.68	2.4	1.5	39.4
74	44	Martin (R.P.) 5p	45	......	‡5.98	1.1	‡	6.8
£12⅛	920	Mass. Mrt. & R'lty	£10⅞	......	Q$1.16	—	6.7	—
18	14	N.M.C. Invs 12½p	17	......	1.3	0.7	11.6	18.2
330	200	Nippon Fd Stg. 10p	315	......	—	—	—	—
14	9½	Parambe 10p	14	......	—	—	—	—
33	21½	Park Place Inv.	32	..	†1.0	3.6	4.7	7.1
224	167	Pearson (S.) & Son	217	+2	6.81	3.5	4.8	9.1
£70⅞	£43¾	Pretab (S. Frs250	£63	−1	Q9.4%	—	4.7	—
11	10	St. George 10p	11	......	0.48	1.0	6.6	22.1
131	90	Scot & Merc. 'A'	99	......	3.02	1.7	4.6	19.2
£51	£48	S.E. £4¾pc Ann.	£50	......	Q4.25	—	8.5	—
61	51	Smith Bros.	56	+1	t4.91	2.1	13.3	5.9
9	7¼	Sthn. Pac. RK50c	8¼#	......	—	—	—	4.1
£49⅜	£27¼	Suez Fin. NF100	£42	−1½	Q22½	—	6.7	—
£10½	900	Trans. Mkt. Tst. 1p	£10¼	......	‡Q43.02	1.6	‡	♣
28	24	Wstn. Select. 20p	25	......	2.1	1.2	12.7	10.3
57	36½	West of England	54½	......	†1.38	3.7	3.8	10.6
87	68	Yule Catto 10p	73	+2	1.39	3.8	2.9	9.5

OILS

1978 High	Low	Stock	Price	+ or —	Div Net	C'vr	Y'ld Gr's	P/E
96	66	Attock 20p	90	+2	—	—	—	—
164	134	Brit. Borneo 10p	154	−2	6.74	1.5	6.6	14.8
892	720	Brit. Petrol'm. £1	840	−4	22.10	4.2	4.0	9.1
76½	66	Do 8% Pf. £1	70xd	......	4p	510.9	12.1	—
72	42	Burmah £1	63	+1	—	—	—	—
£62¾	£51	Do 8½ Ln 91/96	£55½xd	......	£4	—	e16.1	—
£111¼	800	††CCP Nth. Sea £1	800	......	—	—	—	—
59	49	Century 10p	59	+1	2.63	3.1	6.8	5.7
30	21	Charterhall 5p	21½	+½	—	—	—	55.3
£24¾	£12¾	Cie Fr. Petroles B.	£24½	......	Q14.1%	1.9	7.2	10.7
450	362	††Cluff Oil £1	400	......	—	—	—	—
144	114	††Clyde Petrol £1	116	+2	1.00	8.6	1.3	11.1
23	9½	Endeavour 20c	22	......	—	—	—	—
36	24	KCA	27	+1	♦0.1	φ	0.6	φ
190	134	LASMO	142	......	—	—	—	—
£109¾	£100	LASMO 14% 1981-83	£102	......	Q14%	—	e14.9	—
415	284	LASMO "Ops" 10p	320	......	—	—	—	—
26	13	Magnet Metals 10c	22	......	—	—	—	—
306	178	Oil Expl. 10p	228	......	2.11	3.0	1.4	32.3
19	12½	Premier Cons. 5p	16½	......	—	—	—	—
£26⅝	£14⅝	Ranger Oil	£23⅛	−⅛	—	—	—	—
1½	1¼	Reynolds Dir. 1c.	1¼	......	—	—	—	—
£49	£35⅝	Ryl. Dutch Fl 20.	£47	+⅛	Q$3.75%	2.4	5.6	7.8
620	455	Sceptre Res.	540	−10	—	—	—	—
586	484	Shell Trans. Reg.	545	......	15.7	4.1	4.4	5.6
69	58	Do 7% Pf £1	61xd	......	3p	110.2	12.4	—
444	226	††Siebens (UK) £1	340	−4	—	—	—	—
£64	£55	Texaco 4¾% Cnv.	£56	+1	Q4¾%	—	f8.7	—
186	130	Tricentrol	170	......	1.32	5.8	1.2	15.5
276	182	Ultramar	243xc	+5	—	—	—	8.1
161	120	Do. 7pc Cnv £1	143	+1	7%	24.5	7.0	—
190	86	Weeks Nat. 10cts.	175	......	—	—	—	—
190	86	Do. Pfd. Ord. 10c	175	......	Q15¼c	—	5.2	—
77	57	Woodside A50c.	69	−2	—	—	—	—

OVERSEAS TRADERS

1978 High	Low	Stock	Price	+ or —	Div Net	C'vr	Y'ld Gr's	P/E
265	224	African Lakes	265	......	h3.52	19.0	2.0	2.6
107	60	Aust. Agric. 50c	107	+1	Q3.5c	1.1	2.0	45.5
140	96	Berisford (S. & W.)	129	......	†h4.15	4.6	4.9	4.8
73	47	Borthwick (Thos.) 50p	47	−2	6.2	1.1	20.1	(6.5)
45	25½	Boustead (10p)	44	−½	1.50	φ	5.2	φ
390	250	Finlay (Jas.) 50p	370	+2	t15.0	φ	6.1	φ
136	95	Gill & Duffus	128xc	......	h4.36	3.2	5.2	7.9
£66	£49	Gt. Nthn. £10	£65	+½	Q12%	2.4	1.9	22.8
525	325	H'ris'ns. Cros. £1.	462xd	+12	♦21.78	2.2	7.1	9.0
90	66	Hoffnung (S.)	85	......	4.26	2.1	7.6	7.7
445	350	Inchcape £1	403	......	t15.0	3.2	5.6	9.8
30	21	Jacks Wm.	28	......	Z0.66	6.3	—	4.5
19	9	Jamaica Sugar	13½	......	—	—	—	—
78	60	Lonrho	60	......	6.55	2.3	16.5	(3.0)
49	40½	Mitchell Cotts	41½	......	3.4	1.7	12.4	(5.8)
275	220	Nigerian Elec. £1	248	......	13.2	φ	8.3	φ
107	62	Ocean Wlsns. 20p	83xd	......	2.88	φ	5.2	φ
235	170	Pat'son. Zoch. 10p	170	......	$7.7	7.5	6.9	2.9
225	165	Do. 'A' N/V 10p	170	......	$7.7	7.5	6.9	2.9
54	27	Sanger (J.E.) 10p.	29	+1	‡4.43	1.3	‡	5.2
9½	4½	Sena Sugar 50p	6½	......	B—	—	—	—
97	44	ΔSime Darby 10p	97	+6	b1.75	3.3	2.8	23.2
208	175	Steel Bros.	206	......	6.5	4.4	4.8	7.0
60	40	Tozer Kems. 20p	53	......	3.10	2.7	8.8	(5.0)
£94	£87	Do 8pc Cnv. '81	£94	......	Q8%	18.0	f8.7	—
73	41	U. City Merc. 10p.	64	+1	†h0.75	11.0	1.8	7.8
72	41	Do. 10pc Ln. 18p	63	......	f3.4	31.2	f2.9	—

RUBBERS AND SISALS

1978 High	Low	Stock	Price	+ or —	Div. Net	C'vr	Y'ld Gr's
101	75	Anglo-Indones'n	97	......	2.75	φ	4.4
94	65	Bertam Cons. 10p	93	.....	3.5	1.5	5.7
16	11½	Bird (Africa)	16	......	—	—	—
51	31	Bradwall 10p	50	−½	1.7	1.0	5.2
305	165	Castlefield 10p	265xd	+5	s2.8	1.0	1.6
48½	26	Chersonese 10p	48½	+3	h1.38	1.2	4.3
40	23¾	Cons. Plants 10p	40	+1½	hQ3.0	1.2	11.4
12¼	8½	Grand Central 10p	10	......	0.55	φ	8.3
322	211	Guthrie £1	310	+20	15.0	1.6	7.3
105	65	Harrisons Mr. Est. 10p	100	+1	♦t4.0	—	6.1
120	56½	Highlands M50c	120	+3	Q20.8c	—	3.7
78	41½	Kuala Kepong M$1	78	+5	Q12½c	1.5	3.5
56½	29	††Kulim M50c	56½	+4½	Q11.5c	0.8	4.5
155	69	Ldn. Sumatra 10p	150xd	......	♦4.0	φ	4.0
80	36	Malakoff M$1	80xc	+3	hQ15c	1.9	4.3
54	30½	Muar River 10p	45½	......	h0.43	3.1	1.4
75	55	Plantation Hldgs. 10p	73	+2	$2.18	2.0	4.5
82	37	Sungei Krian 10p	67	+4	h1.5	1.9	3.4

TEAS

India and Bangladesh

1978 High	Low	Stock	Price	+ or —	Div. Net	C'vr	Y'ld Gr's
240	175	Assam Dooars £1	235	......	♦9.51	5.9	6.1
385	280	Assam Frontier £1	305	......	h16.25	4.9	8.1
123	104	Assam Invs. £1	121	......	7.0	3.7	8.8
28	20½	Empire Plants 10p	28	......	♦1.98	1.6	10.7
345	212	Jokai £1	345	+5	2p	3.5	5.3
360	222	Longbourne £1	360	......	♦10.00	6.8	4.2
245	180	McLeod Russel £1	228	......	t13.5	2.7	9.0
420	375	Moran £1	375	......	15.08	4.9	6.1
26	22	Singlo Hldgs. 10p	25½	......	♦F1.72	3.2	10.6
249	181	Warren Plants.	243xd	+1	14.67	4.9	9.1
172	138	Williamson £1	171	+1	9.0	4.7	8.0

Sri Lanka

1978 High	Low	Stock	Price	+ or —	Div. Net	C'vr	Y'ld Gr's
210	123	Lunuva £1	177	+2	5.5	1.5	4.7

Africa

1978 High	Low	Stock	Price	+ or —	Div. Net	C'vr	Y'ld Gr's
610	390	Blantyre £1	610	......	50.0	φ	12.4
185	130	Ruo Estates	185	......	13.0	φ	10.6

MINES

CENTRAL RAND

1978 High	Low	Stock	Price	+ or —	Div. Net	C'vr	Y'ld Gr's
385	140	Durban Deep R1	225	......	—	—	—
416	244	East Rand Prp. R1	281	......	—	—	—
£36½	£29¼	Randfont'n Est. R2	£33⅜xd	+¼	†Q350c	2.5	6.3
178	78½	West Rand R1	112xd	+4	†Q13c	6.7	6.9

MINES—Continued

CENTRAL AFRICAN

1978 High	Low	Stock	Price	+ or —	Div. Net	C'vr
210	155	Falcon Rh.50c	182	+2	Q50c	1.3
24	15	Rhod'n Corp. 16⅔p	16½	......	0.56	7.1
80	52	Roan Cons. K4	70	......	—	—
175	122	Tanganyika 50p	149	......	Q10.0	1.2
90	78	Do. Pref. 80p	90	.....	Q9%	16.3
41	32	Wankie Col. Rh.1	35	......	†Q7½c	1.4
16½	10	Zam.Cpr.SBD0.24	12½	......	—	—

AUSTRALIAN

1978 High	Low	Stock	Price	+ or —	Div. Net	C'vr
15	10	Acmex 25c	14	......	—	—
132	64	Bougainville 50 Toea	116	......	Q8c	1.4
125	63	BH South 50c	112	−1	—	—
820	150	Central Pacific	500	......	—	—
245	148	Conzinc Riotinto 50c	232	+4	Q10c	2.2
72	48	G.M. Kalgoorlie $1	54	−1	—	—
138	81	Hampin Areas 5p	124	...	1.45	4.1
40	10	Metals Ex. 50c	30	−1	—	—
220	125	M.I.M. Hldgs. 50c	196	.....	Q9c	1.7
39	10	Mount Lyell 25c	30	......	—	—
6½	1½	Newmetal 10c	4½	......	—	—
143	79	North B. Hill 50c	122	−2	Q8c	1.5
16	8½	Nth. Kalgurli	13½	......	—	—
178	117	Oakbridge $A1	165	...	†Q11c	1.9
50	30	Pacific Copper	50	+4	—	—
£14¼	750	Pancont'l 25c	£12½	−¼	—	—
40	12	Paringa M&Ex 5p	39	......	—	—
538	310	Peko-Wallsend 50c.	490	+2	Q15c	4.0
300	50	Southern Pacific	185	−10	—	—
160	84	Westn. Mining 50c	151	+1	‡Q6c	1.4
70	35	Whim Creek 20c	50	......	—	—

TINS

1978 High	Low	Stock	Price	+ or —	Div. Net	C'vr
30	24	Amal. Nigeria	25	......	†2.51	1.6
360	240	Ayer Hitam $M1	360	+5	[illegible]	0.9
60	45	Beralt Tin	53	.....	3.75	4.4
293	200	Berjuntai $M1	293	.....	‡Q110c	φ
145	111	Geevor	132	......	h4.51	3.4
10	8½	Gold & Base 12½p	9½	......	—	—
293	220	Gopeng Cons.	293	......	15.0	0.9
165	130	Hongkong	160	.....	—	—
93	78	Idris 10p	85	.....	12.0	1.6
11	10	Jantar 12½p	10	.....	—	—
75	68	Kamunting $M0.50	75	......	ZQ15.5c	0.7
490	450	Killinghall	490	......	Q125	φ
400	280	Malay Dredging $M1	400	......	†Q95c	0.8
70	40	ΔPahang	69	......	‡Q3.75c	0.5
62	50	Pengkalen 10p	61	......	6.5	1.3
215	165	Petaling $M1	215	......	†Q80c	1.6
61	49	Saint Piran	50	......	g1.99	4.6
61	47	South Crofty 10p	60	......	4.13	φ
210	140	South Kinta $M0.50	210	+5	‡Q77.8c	1.4
310	230	Sthn. Malayan $M1	310	+5	‡Q131.3c	1.1
228	134	Sungei Besi $M1	220xd	......	Q65c	φ
75	55	Supreme Corp. $M1	75	.....	ZQ10c	—
100	85	Tanjong 15p	92	......	6.5	0.8
100	74	Tongkah Hrbr. $M1	96	......	[illegible]	1.6
220	148	Tronoh $M1	220	+10	ZQ88c	1.6

COPPER

1978 High	Low	Stock	Price	+ or —	Div. Net	C'vr
100	70	Messina R0.50	85	−3	‡Q30c	1.9

MISCELLANEOUS

1978 High	Low	Stock	Price	+ or —	Div. Net	C'vr
61	35	Barymin	52	......	—	—
17	9	Burma Mines 17½p	14	......	—	—
300	220	Cons. Murch. 10c	260	+25	‡Q30c	2.6
465	245	Northgate C$1	400	+10	—	—
234	164	R.T.Z.	214	......	9.5	2.8
90	30	Sabina Inds. C$1	64	−4	—	—
£12	750	Tara Exptn. $1	£10¼	......	—	—
45	43	Tehidy Minerals 10p	43	......	1.33	φ
180	120	Yukon Cons. C$1	167	−3	Q7c	2.9

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on the basis of net distribution; bracketed figures indicate 10 per cent. or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution. Yields are based on middle prices, are gross, adjusted to ACT of 34 per cent. and allow for value of declared distributions and rights. Securities with denominations other than sterling are quoted inclusive of the investment dollar premium.

- Δ Sterling denominated securities which include investment dollar premium.
- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- φ Figures or report awaited.
- †† Unlisted security.
- ▪ Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividend or forecast.
- ** Free of Stamp Duty.
- ♦ Merger bid or reorganisation in progress.
- ♣ Not comparable.
- ♠ Same interim: reduced final and/or reduced earnings indicated.
- § Forecast dividend; cover on earnings updated by latest interim statement.
- ¥ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ☆ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ♥ Excluding a final dividend declaration.
- ✦ Regional price.
- ‖ No par value.

a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. r Australian currency. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. D Cover and P/E ratio exclude profits of U.K. aerospace subsidiaries. E Issue price. F Dividend and yield based on prospectus or other official estimates for 1977-78. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1976-77. K Figures based on prospectus or other official estimates for 1978. M Dividend and yield based on prospectus or other official estimates for 1978. N Dividend and yield based on prospectus or other official estimates for 1979. P Dividend and yield based on prospectus or other official estimates for 1977. Q Gross. T Figures assumed. U No significant Corporation Tax payable. Z Dividend total to date. ‡‡ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

"Recent Issues" and "Rights" Page 36

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £400 per annum for each security

REGIONAL MARKETS

The following is a selection of London quotations of shares previously listed only in regional markets. Prices of Irish issues, most of which are not officially listed in London, are as quoted on the Irish exchange.

Albany Inv. 20p	23	......
Ash Spinning	45	......
Bertam	21	−1
Bdg'wtr. Est. 50p	267	......
Clover Croft	26	......
Craig & Rose £1	445	......
Dyson (R. A.) A.	37	......
Ellis & McHdy.	61	......
Evered	18	......
Fife Forge	50	......
Finlay Pkg. 5p	24	+½
Graig Ship. £1	140	−13
Higsons Brew	75	......
I.O.M. Stm. £1	150	......
Holt (Jos.) 25p	263	......
N'thn. Goldsmith	55	+2
Pearce (C. H.)	165	....
Peel Mills	20	....
Sheffield Brick	45	......
Sheff. Refrshmt.	52	......
Sindall (Wm.)	102	+2

IRISH

Conv. 9% '80/82	£90¼	......
Alliance Gas	73	......
Arnott	337	......
Carroll (P.J.)	95	−1
Clondalkin	98	+4
Concrete Prods.	130	......
Heiton (Hldgs.)	44	......
Ins. Corp.	148	......
Irish Ropes	130	......
Jacob	65	......
Sunbeam	32	......
T.M.G.	170	......
Unidare	90	......

OPTIONS
3-month Call Rates

Industrials

A. Brew	6½
A.P. Cement	18
B.S.R.	9
Babcock	11
Barclays Bank	25
Beecham	35
Boots Drug	15
Bowaters	16
B.A.T.	24
British Oxygen	6
Brown (J.)	20
Burton 'A'	12
Cadburys	5
Courtaulds	10
Debenhams	8
Distillers	15
Dunlop	7
Eagle Star	11
E.M.I.	14
Gen. Accident	17
Gen. Electric	18
Glaxo	40
Grand Met.	9
G.U.S. 'A'	20
Guardian	18
G.K.N.	22
Hawker Sidd.	20
House of Fraser	12
I.C.I.	20
"Imps"	6
I.C.L.	20
Inveresk	8
KCA	3
Ladbroke	17
Legal & Gen.	14
Lex Service	7
Lloyds Bank	22
"Lofs"	4
London Brick	5
Lonrho	5
Lucas Inds.	25
Lyons (J.)	10
"Mams"	7
Mrks. & Spncr	10
Midland Bank	25
N.E.I.	12
Nat. West. Bank	22
Do. Warrants	10
P & O Dfd.	8
Plessey	8
R.H.M.	5
Rank Org. 'A'	18
Reed Intnl.	12
Spillers	3
Tesco	4
Thorn	22
Trust Houses	15
Tube Invest.	30
Unilever	35
Utd. Drapery	7½
Vickers	15
Woolworths	5

Property

Brit. Land	3¼
Cap. Counties	4½
E.P.	5
Intreuropean	4
Land Secs.	16
MEPC	12
Peachey	8
Samuel Props.	9
Town & City	1¼

Oils

Brit. Petroleum	45
Burmah Oil	5
Charterhall	3
Shell	28
Ultramar	20

Mines

Charter Cons.	12
Cons. Gold	14
Rio T. Zinc	16

A selection of Options traded is given on the London Stock Exchange Report page

FINANCIAL TIMES
Thursday June 29 1978

Europe to press GATT for change to trading rules

BY GUY DE JONQUIERES

BRUSSELS, June 28.

THE EEC has agreed to press in the closing phase of the GATT multilateral trade negotiations for important changes in the rules governing world trade, but has reserved its final position on the deal which it will seek on agriculture.

Mr. Edmund Dell, the Trade Secretary, said after a Council of Ministers meeting which ended in Luxembourg early this morning, that the EEC package met Britain's main concerns. In particular it satisfied Britain's demand for the right to apply the GATT safeguard clause more selectively against disruptive imports.

But the Minister criticised the EEC offer on agriculture warning that for agreement to be reached internationally the EEC would have to provide better access, especially to agricultural products from Australia and New Zealand.

At present restrictions imposed under the safeguard clause must affect all imports of a given product from whatever source. Despite strong West German and Danish reservations, Britain and France have persuaded their EEC partners to seek an agreement in Geneva which would allow it to be invoked against individual exporting countries.

The EEC proposal would require consultation in GATT as a general rule before selective safeguards were imposed, although in severe cases action could be taken autonomously by importing countries. No attempt has been made to draw up criteria for such emergency action.

Controversial

The safeguards issue is likely to prove one of the most controversial items in the closing phase of the Geneva talks, and the EEC demand seems likely to face resistance in varying degrees from Japan and the economically more advanced developing countries. However, the U.S. has at least accepted the principle of selectivity.

The Community has also agreed to renew pressure on the U.S. to include a provision in its countervailing duty law (allowing duties equivalent to the amount of subsidy to be imposed) which would require proof that imports subjected to such duties had caused material injury. The absence of such a provision, in violation of GATT rules, is the source of long-standing friction between the U.S. and the EEC.

The Nine are not prepared, for the moment at least, to agree to an American demand for a ban on certain types of internal government subsidies as the price for proposing a change in the countervailing duty law to Congress. However, the European Commission has warned EEC governments that it may prove necessary in the end to accept the American terms. Mr. Dell said that this is likely to be the most difficult issue of all.

A final decision on agriculture has been deferred partly because of uncertainties about the likely outcome of the separate talks in London on an international wheat agreement and a possible coarse grains agreement. The EEC is keen to know more about the U.S. position on wheat prices, market access and storage requirements.

In addition, Ireland has refused to agree to any increase in EEC access for cheese imports until the U.S. has indicated whether it will offer a better deal for EEC cheese exports entering its market. There is also a general resistance among northern European meat-producing countries to improving access for beef exports to the EEC.

Dairy products

Mr. Dell said that he had strongly emphasised the need for more generous concessions by the EEC on agricultural trade, especially for Australian beef and New Zealand dairy products, and he warned that failure to grant them could jeopardise the outcome of the Geneva negotiations. But few other governments appear to share this concern.

The EEC's final position on industrial tariffs now hangs chiefly on whether Japan is prepared to improve its offer, which is estimated to amount to a real cut of only about 23 per cent. The Community has warned Tokyo that it will have to reduce its own initial offer unless it obtains a more satisfactory response.

Editorial Comment, Page 20
Wheat Council talks, Page 35

BSC offers union extra board seat in pay plan deal

By Christian Tyler, Labour Editor

THE British Steel Corporation is offering to trade an extra seat on its main board for the biggest steel union in exchange for concessions on pay bargaining arrangements and new consultative machinery.

Six seats have been promised to the unions, which are selecting nominees, and might be handed over by the end of next month, well ahead of a general election.

But the Iron and Steel Trades Confederation, which will have two seats, has been told privately by Sir Charles Villiers, BSC chairman, that its demand for a third will be met only if the union will agree to negotiate wages jointly with the other unions at national level. Sir Charles in turn has been told that the confederation will not meet that condition.

Blueprint

As for the rest of the industrial democracy blueprint, known as the "steel contract" and now the subject of a confidential working party report, the confederation's leaders are concerned that proposals for divisional and works-level participation will not give workers real power.

Sir Charles's offer became known yesterday in the wake of his warning to the union's annual conference in Scarborough that without a big improvement in the corporation's performance, bulk steel-making in Britain might end.

That warning was dismissed yesterday by Mr. Bill Sirs, the confederation's general secretary, as unrealistic. Sir Charles, he said, was showing signs of panic in the face of the corporation's crisis.

Rough ride

The conference had given Sir Charles a rough ride over the spate of plant closures, but yesterday it went as far as it could to support the Government by rejecting a resolution, of the kind passed by most trade unions this summer, opposing further pay restarints.

From July the unions can expect six-worker directors on an expanded BSC board of 21. They will probably choose rank-and-file men. Mr. Varley has asked for their names by early next month.

The Confederation, as the biggest union, will get two seats: the Blastfurnacemen, the Transport Workers and the General and Municipal Workers one each: the 12 crafts unions will have one between them. It is not yet clear whether the 17 worker-directors already on divisional management boards will stay on.

That advance, important to the unions because of their fears of what a Conservative Government would do to the steel industry, will go ahead independently of arrangements lower down.

Top tier

The Corporation is anxious to bring the unions together at all levels, starting with an advisory joint national council to reflect decisions of reformed divisional and works councils. That top tier, for which the 17-member TUC Steel Industry Committee would provide the unions' executive arm, would comprise about 100 members, 70 from the unions.

Mr. Sirs is determined to stick out for the third seat for his union, but not on Sir Charles's terms. At the same time he is anxious that one of ISTC's seats should be occupied by a BSC staff—rather than manual worker-representatives.

Steel men reject attack on wage controls, Page 8

THE LEX COLUMN

More smiles at Trust Houses

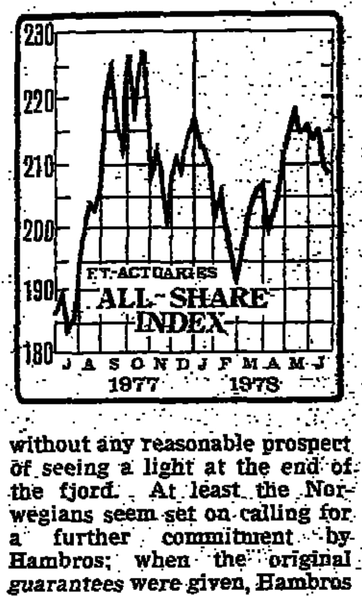
Trust Houses Forte's shares have consistently outperformed the stock market this year. So there was much rejoicing yesterday when the group reported interim pre-tax profits of £12.2m. As reported, this is only about £2m up on last time; but in reality the underlying trading performance is much better since the 1977 interims included £4.1m from the disposal of Terrys.

At the trading level the improvement is 30 per cent, with margins up almost a point to 7.3 per cent of sales. The UK hotel business has turned in profit growth of about 30 per cent, thanks to a decision to increase prices in London (where occupancy was down, if anything) and higher occupancy rates in the provinces. The Lyons hotels, incidentally, doubled their contribution to £2½m, though the 1977 figures included only three months trading.

Overseas, hotels have also shown excellent profits growth, with the United States increasing its contribution by 52 per cent to £3.1m and the rest up 40 per cent to £2.1m. The catering side has also done well, although the airports seem to have had a fairly flat period. And as usual, the lesiure division has ended the seasonally unfavourable first half with a loss, of perhaps £½m.

THF sounds reasonably optimistic about the second half, suggesting that pre-tax profits for the year could well exceed £50m—a gain of over 30 per cent. This would produce fully taxed earnings per share of around 24p. At 220p, the rating looks about right on a prospective p/e of 9, while the yield is 6 per cent.

Index fell 1.0 to 455.3



Hambros Bank

The shipping crisis will not go away for Hambros. Ever since the Norwegain Guarantee Institute moved in to prop up the Norwegian shipping industry in 1976 there has been an awkward question mark over what will happen when the original guarantees expire at the end of 1979. At one time it was still plausible to argue that recovering ship prices would remove the problem by then, or alternatively that the Norwegians would find it worthwhile to roll the guarantees over for a further period. But the slump in ship values is clearly making the Norwegians reluctant to enter into a further huge financial commitment without any reasonable prospect of seeing a light at the end of the fjord. At least the Norwegians seem set on calling for a further commitment by Hambros; when the original guarantees were given, Hambros had to write down its claims on the Reksten group by some £9m.

How serious a threat is this, given that loans of over £50m appear to be involved? The first line of defence consists of specific provisions which Hambros mentioned, but of course did not quantify, last year. Then there are the hidden banking reserves, which the bank should have been in a position to top up after last year's highly profitable run in the gilt and money markets: brokers Laing and Cruickshank recently estimated that Hambros' inner reserves were particularly large, at over £30m. This suggests that allowing for tax relief the bank would be able to swallow up any conceivable loss without eating into the published capital and reserves of some £60m. Still, the Norwegian affair is bound to add spice to Hambros' results, due at the end of next week, a fortnight later than the equivalent date last year.

Goldsmith Empire

Like many documents connected with the affairs of Sir James Goldsmith, details of the deal whereby a significant holding in Generale Occidentale (GO) will be transferred to a Hong Kong company, General Oriental, are staggeringly complicated. But the essence of the transaction is familiar and consistent. Last summer, Sir James's interest in GO amounted to one-fifth of the equity After this deal, he will effectively have a controlling interest in companies which in turn control around two-fifths of GO. His own direct holding will be down to about 2 per cent.

In short, the pyramid structure of the Goldsmith empire is being further extended. At the top end is now General Oriental, a business which will have net assets of about £18m after the various deals are completed. At the bottom are the gross assets of GO, which of course now include Cavenham and amount to nearly £500m.

The transactions which have made this possible are necessarily complex. They include substantial loans by GO's banking business to private companies controlled by Sir James; the setting up of a cash shell by means of a sales of assets to Cavenham; the shell then being turned into a company holding GO shares and sold on in return for interest free unsecured loan stock. In Chinese, this document must be quite a read.

Sir James is careful to emphasise that control of GO will remain in French hands. In a phrase which will be familiar to former shareholders in Anglo-Continental, the Hong Kong company will concentrate on "strategic investments, with an element of control": further purchases of shares in GO are not ruled out.

Ferranti

Pre-tax profits of £9.12m from Ferranti, up almost 50 per cent, turn out to be around £0.5m better than expected, and set the stage for the introduction of the shares to the market: this will take place sometime between the annual meeting on July 26 and the end of September. Ferranti will be able to come to the market with a solid looking balance sheet. Medium term loans of £23.7m compare with shareholders' funds of £48.2m, and there is no overdraft. Meantime the p/e at the unofficial price of 370p, equivalent to some 324p allowing for the NEB's proposed disposal on preferential terms, is 7.7 fully taxed, or just 4.25 on an actual tax basis.

Ferranti is going to arouse considerable interest when it is floated. But the capitalisation of £35m is modest, especially as most of the shares are tightly held, and the group's own recent record is proof enough of the riskiness of the high technology sector.

Maudling was ready to quit on Poulson

By John Bourne

MR. REGINALD MAUDLING, a former deputy leader of the Conservative Party, discloses today that he had intended to resign as an MP and close his political career if the Commons had endorsed a Select Committee report criticising his links with Mr. John Poulson, the architect jailed for corruption.

The Commons debate on the report, which took place last July, was a tense one. There was a series of votes, the most important being on a Tory backbench amendment that the House should merely "take note" of the report rather than "agree to it," as Mr. Michael Foot, the Leader of the House, had originally moved.

The amendment was carried by 230 votes to 207, a majority of 23 in Mr. Maudling's favour.

The Select Committee's findings had been that the conducts of Mr. Maudling and Mr. Albert Roberts, Labour MP for Normanton, had been "inconsistent with the standards which the House is entitled to expect from its members."

Mr. Maudling's statement about his contingency plans for resignation appears in his memoirs, published this morning.

Writing of the debate on the committee's report, he says: "It was a long hard day. Unusually I was allowed to sit in and listen to what was said, instead of withdrawing by tradition while my fate was discussed.

"It was difficult at times to restrain myself, and once or twice I felt obliged to make interventions, though friends did their best to restrain me, fearful that I might speak too vigorously (though that was hardly my custom).

"Eventually the vote was taken on Ronnie Bell's (the Conservative MP for Beaconsfield) amendment and while it was going on I sat in the smoking-room brooding over a large whisky and water, and awaiting the result on the closed-circuit television.

"It was an important result for me. I had already made up my mind that if the House of Commons voted to agree with the Select Committee after hearing from me in my speech the additional and important facts which did not appear in the Select Committee's report, I would immediately resign my seat in the Commons and close my political career."

Book review, Page 9

Post Office faces ban on overtime by engineers

BY NICK GARNETT, LABOUR STAFF

MAINTENANCE and repair work on telephone and telex systems, and installations of machinery, is likely to be severely affected by a national overtime ban called yesterday by the Post Office Engineering Union.

The ban, which is to begin at midnight on Friday in support of a dispute about a shorter working week, will prevent evening and weekend repair work on all Post Office telecommunications links and could cause a backlog of maintenance work.

Emergency lines, including those to hospitals and police stations, will be excluded from the bar.

The union said yesterday that if telecommunication faults developed some radio and television transmissions could be disrupted.

The Post Office last night could not assess the effects of the ban but said the extent of delays in repair work would differ regionally.

The union, which has been involved in an eight-month dispute with the Post Office over a claim for a 35-hour week, has been operating an overtime ban in Scotland since the beginning of the week.

This began when 13 men in Dundee and Edinburgh were sent home for intensifying sanctions imposed by the union. During the dispute, Post Office engineers have been refusing to commission new exchanges and to install machinery connected with these exchanges.

Mr. Norman Howard, a uion assistant secretary, said yesterday that the ban had been extended to the whole of Britatin because the Post Office had refused to reinstate the 13 engineers who have not, however, been formally suspended.

The union said that two engineers in Doncaster and one in Carlisle had also been sent home yesterday and 1,500 Post Office workers in the Sheffield area (which covers Doncaster) and 400 in Carlisle had refused to work for the rest of the day.

About half of the union's members work overtime, which averages between two and five hours a week.

The Telephone Users' Association said last night that the union's action was "contemptible" and could only support the idea that their claim was unjustified.

The Government has ordered an inquiry into the union claim. Lord McCarthy, who heads the inquiry and will report direct to Mr. Eric Varley, the Industry Secretary, met representatives of both sides yesterday and will meet them again next week.

The union says that it is unjust that its members do not work the 35-hour week operated by other Post Office workers. The Post Office says that to meet the claim without loss of pay would be a clear breach of pay policy.

Hopes rise for settlement of Rover dispute

BY ARTHUR SMITH, MIDLANDS CORRESPONDENT

HOPES WERE rising last night for an end to the strike at the Rover plant, Solihul, that has cost £42m in lost production and made 10,000 workers idle.

Mr. Michael Edwardes, BL chairman, delivered a personal warning to pickets on the factory gates yesterday of the damage they were causing to the State-owned concern. Any wildcat strike put the company in jeopardy and handed valuable business to overseas competitors, he said.

Mr. Edwards, on a routine visit to the plant, stopped his chauffeur-driven Rover 3500 to have what was described as "a friendly chat" with a dozen pickets. Among those on picket duty was Mr. Anthony Tombes, the shop steward whose sacking is at the centre of the strike. About 80 external transport drivers walked out three weeks ago in protest at the dismissal of Mr. Tombes for stealing a tax disc from the company.

Mr. Tombes was fined £50 by Solihull magistrates on Tuesday after pleading guilty to the offence.

The drivers meet today and are likely to be urged by Mr. Joe Harris, the Transport and General Workers' Union convenor, to return to work to enable discussions to continue about Mr. Tombes's future.

Local union officials appear to have accepted that there is no question of Mr. Tombes's reinstatement at Rover. The men will be warned of the serious damage they are causing to the company by halting output of Rover models. All production of Rover saloons, Land-Rovers and Range Rovers has been at a standstill for nearly three weeks.

One factor that may influence the drivers is that earnings in the next two weeks will affect the pay to which they will be entitled for the summer holiday in mid-July.

- Five hundred press shop operators at BL's Swindon body plant stopped work yesterday and voted to stay out for at least a week.

The plant supplies body panels for a wide range of the company's cars and a prolonged strike at Swindon would have serious repercussions. At Swindon itself 3,000 men could be idle by the weekend.

The strikers are objecting to a company instruction that they must in future stack reject body panels, a job they say they have never done before.

- Production was halted at the Chrysler car plant at Linwood yesterday after 300 paint shop workers walked out over a dispute about working arrangements.

Another 1,000 workers had to be sent home as a result and the assembly lines were halted.

The 300 men who walked out are all members of the Transport and General Workers Union.

Continued from Page 1

£25m loss

Many companies in Britain and elsewhere have found themselves facing large losses as a result of exchange rate changes effectively increasing the amount they have to repay in loans denominated in currencies which have appreciated in value.

However, most companies have had some earnings denominated in the same or similar currencies which have tended to reduce the adverse impact of these changes. Neither the GLC nor the London boroughs have such earnings.

Substantial losses have also been incurred by the Treasury as a result of the multi-billion public-sector borrowing in foreign currencies

The exchange rate risks on this borrowing have been carried almost entirely by the Treasury rather than by the individual borrowers as a result of the schem to provide the latter with insurance cover.

In proportional terms the losses have bee nsmaller since virtually all the rest of the foreign borrowing has been denominated in U.S. dollars.

Whereas the pound has fallen by over 50 per cent. against the Swiss franc, its dollar value has fallen about 25 per cent.

Peers urge veto of EEC directive

BY RUPERT CORNWELL, LOBBY STAFF

AN INFLUENTIAL Parliamentary Committee last night demanded a sweeping overhaul in the way EEC standardisation plans are formulated, and urged the Government to veto an EEC harmonisation directive in the Council of Ministers.

The directive concerned portable grinding machines. The House of Lords' European Community direct committee, says the proposal, if adopted, would mean tht potentially dangerous equipment, which would lower British safety standards, would be allowed on to the domestic market.

The peer's main complaint is that the views of industry, scientists and consumers are often ignored and that voting procedures in the standardisation committee are faulty.

"The directive is an example of how not to apply the principle of harmonisation," they say.

The committee also attacked separate "well intentioned" proposals from the Brussels Commission to curb the noise level of lawn mowers, but said the suggestions were put forward without regard for their feasibility or likely benefit.

The idea had been based on West German legislation. "But neither the Germans nor anyone else have yet discovered how to make lawn mowers, within the decibel limits proposed, which actually cut grass."

The standard was "impossible" and had been formulated without any consultation with the British lawn mower industry, which is by far the biggest in Europe, says the report.

The draft directive on grinding machines is part of the Community's efforts to remove trade barriers by approximating laws in member states. But the peers' findings will add to growing irritation at Westminster over the way the programme is being carried out.

The committee urges the Government to back the British Standards Institution in working toward a better voting procedure on the European Committee for Standardisation (CEN) which, although not a Community body, provided the basis of the directive.

Weather

UK TODAY

RAIN OVER N. and W., spreading S.E. Rather cool.

London, S.E., Central S. England, E. Anglia, Midlands

Cloudy, hill fog, rain from W. Max. 17C (63F).

E., Central N. N.E. England, Midlands

Cloudy, rain, hil fog, brighter later. Max. 16C (61F).

Channel Is., S.W. England

Hill, coastal fog, rain from W. Max. 16C (61F).

Wales, N. England, Lakes, Isle of Man

Cloudy, rain, hill and coast fog, brighter later, showers. Max. 15C (59F).

Borders, Edinburgh, Dundee, Aberdeen, S.W. Scotland, Glasgow, Central Highlands, Moray Firth, Argyll, Ireland

Sunny intervals, showers. Max. 15C (59F).

N. Scotland, Orkney, Shetland

Sunny intervals, showers. Max. 13C (55F).

Outlook: Changeable, rather cool.

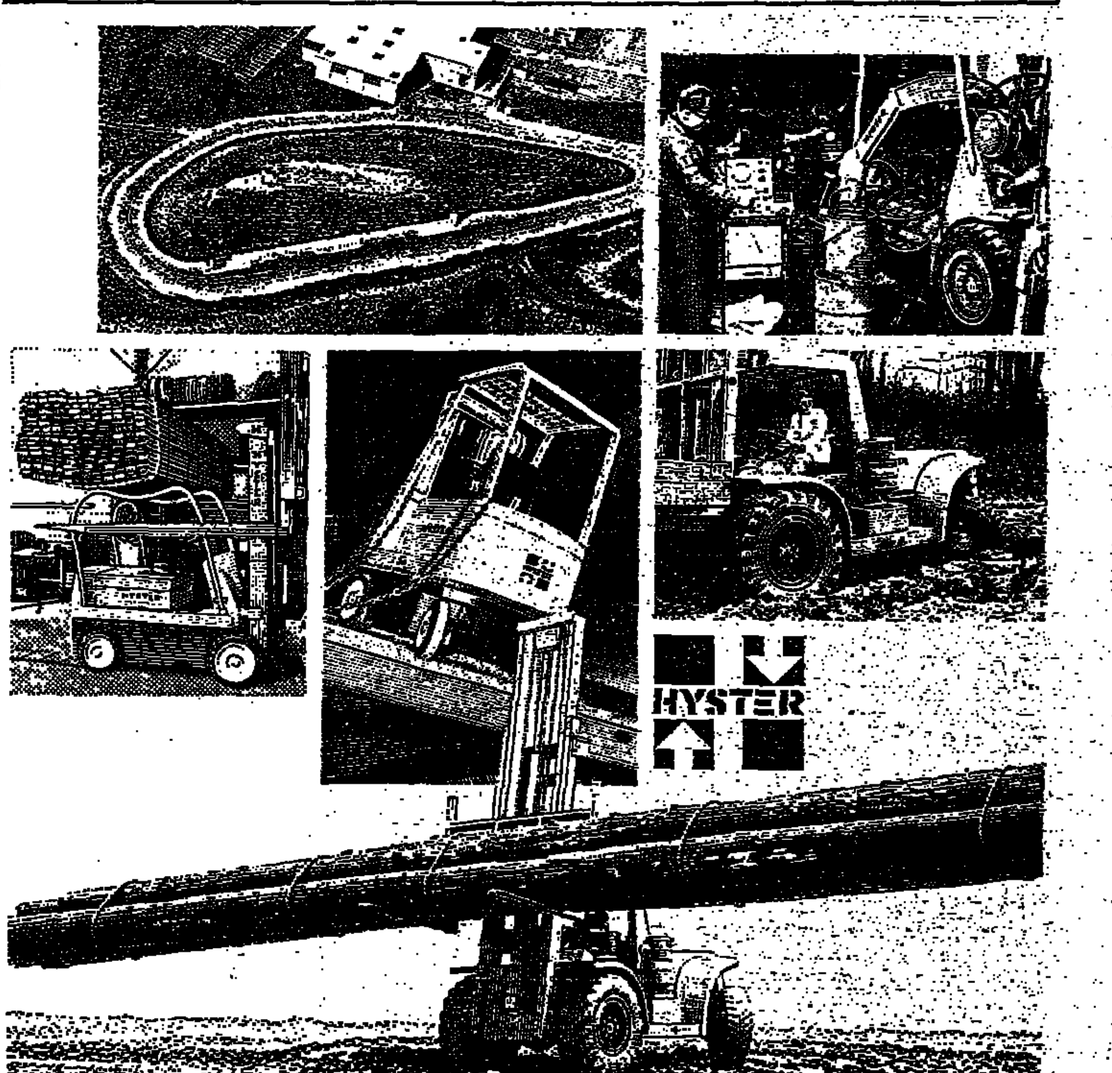
BUSINESS CENTRES

		Y'day mid-day °C	°F			Y'day mid-day °C	°F
Amstrdm.	R	13	55	Luxmbrg.	C	12	54
Athens	S	28	82	Madrid	S	24	75
Bahrain	S	33	91	Manchestr.	C	15	59
Barcelona	C	21	70	Melbourne	R	10	50
Belfast	C	15	59	Milan	S	23	73
Belgrade	R	12	54	Montreal	S	23	73
Berlin	C	13	55	Munich	C	13	55
Birmghm.	C	19	66	Newcastle	C	17	63
Bristol	R	12	54	New York	S	29	84
Brussels	R	12	54	Oslo	F	23	73
Budapest	R	12	54	Paris	R	13	55
B. Aires	S	11	52	Perth	S	16	61
Cairo	S	39	102	Prague	C	13	55
Cardiff	C	16	61	Reykjavik	C	9	48
Chicago	S	24	75	Rio de J'o	S	26	79
Cologne	C	17	63	Rome	F	25	77
Copnhagn.	C	15	59	Singapore	S	30	86
Dublin	C	18	64	Stockholm	C	13	55
Edinbrgh.	C	14	57	Strasbrg.	C	15	59
Frankfurt	C	14	57	Sydney	R	14	57
Geneva	F	15	59	Tehran	S	28	82
Glasgow	C	14	57	Tel Aviv	S	29	84
Helsinki	C	14	57	Tokyo	R	20	68
H. Kong	S	30	86	Toronto	S	24	75
Jo'burg	S	19	66	Vienna	C	16	61
Lisbon	F	25	77	Warsaw	C	18	64
London	F	20	68	Zurich	F	13	55

HOLIDAY RESORTS

		Y'day mid-day °C	°F			Y'day mid-day °C	°F
Ajaccio	S	20	68	Jersey	C	14	57
Algiers	S	25	77	Las Plms.	S	24	75
Biarritz	C	16	61	Locarno	S	22	72
Blackpool	R	13	55	Luxor	S	42	108
Bordeaux	C	17	63	Majorca	S	23	73
Boulogne	C	13	55	Malaga	F	24	75
Casablnca.	C	22	72	Malta	S	23	73
Cape Twn.	R	13	55	Nairobi	C	16	61
Corfu	F	24	75	Naples	F	22	72
Dubrovnik	F	21	70	Nice	S	21	70
Faro	F	18	64	Oporto	S	24	75
Florence	C	23	73	Rhodes	S	26	79
Funchal	C	18	64	Salzburg	R	12	54
Gibraltar	F	21	70	Tangier	F	25	77
Guernsey	C	13	55	Tenerife	F	18	64
Innsbruck	F	12	54	Tunis	F	25	77
Inverness	C	17	63	Valencia	F	22	72
I. of Man	C	13	55	Venice	S	21	70
Istanbul	C	21	70				

C—Cloudy. F—Fair. R—Rain. S—Sunny.



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